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HOUSE OF REPRESENTATIVES

FRIDAY, OCTOBER 8, 1965

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., used this verse of Scripture: I Samuel 12: 23: *Moreover as for me, God forbid that I should sin against the Lord in ceasing to pray for you.*

Eternal God, our Father, whose thoughts concerning us are always those of peace and good will, we rejoice that daily we are living under the canopy and shelter of Thy grace and goodness.

We humbly acknowledge that in our devotions and worship we have often failed to pray fervently for peace on earth and good will among men.

Let us continue to search and probe our hearts that we may find the reasons for unanswered prayer and realize that we have left so many of our fellow men out of our prayer life.

We confess that we have forgotten the poor, the sick, and the lonely, in homes and in hospitals who need Thy blessings and the help that we can give.

How frequently we neglect those who are constantly struggling with human frailty and bodily illness and the encroachments of age and infirmity.

We beseech Thee to forgive us for being so indifferent and self-centered in our thoughts and prayers.

Hear us in the name of our blessed Lord. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 32. An act to authorize the Secretary of the Interior to construct, operate, and maintain the southern Nevada water project, Nevada, and for other purposes.

AIRMAIL PRIVILEGES TO MEMBERS OF THE U.S. ARMED FORCES, AND FOR OTHER PURPOSES

Mr. MORRISON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 11420) to amend title 39, United States Code, to provide certain airmail privileges with

respect to members of the U.S. Armed Forces, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. GROSS. Mr. Speaker, reserving the right to object, may I assume that the gentleman from Louisiana will take a reasonable amount of time to explain this bill?

Mr. MORRISON. Mr. Speaker, if the gentleman will yield; yes.

Mr. GROSS. Mr. Speaker, I withdraw my reservation.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read the bill, as follows:

H.R. 11420

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That (a) chapter 57 of title 39, United States Code, is amended by adding at the end thereof the following section:

"§ 4169. Mailing privilege of members of United States Armed Forces and of friendly foreign nations

"(a) First-class letter mail, including postal cards and post cards, shall be carried by airmail, at no cost to the sender, when mailed by—

"(1) a member of the Armed Forces of the United States on active duty as defined in sections 101(4) and 101(22) of title 10, United States Code, and addressed to a place within the delivery limits of a United States post office, if—

"(A) the letter is mailed by the member at an Armed Forces post office established under section 705(d) of this title in an overseas area, as designated by the President, where the Armed Forces of the United States are engaged in action against an enemy of the United States, engaged in military operations involving armed conflict with a hostile foreign force, or serving with a friendly foreign force in an armed conflict in which the United States is not a belligerent; or

"(B) the member is hospitalized in a facility under the jurisdiction of the Armed Forces of the United States as a result of disease or injury incurred as a result of service in an overseas area designated by the President under clause (A); or

"(2) a member of an armed force of a friendly foreign nation at an Armed Forces post office and addressed to a place within the delivery limits of a United States post office, or a post office of the nation in whose armed forces the sender is a member, if—

"(A) the member is accorded free mailing privileges by his own government;

"(B) the foreign nation extends similar free mailing privileges to a member of the Armed Forces of the United States serving with, or in, a unit under the control of a command of that foreign nation;

"(C) the member is serving with, or in, a unit under the operational control of a com-

mand of the Armed Forces of the United States;

"(D) The letter is mailed by the member—

"(1) at an Armed Forces post office established under section 705(d) of this title in an overseas area, as designated by the President, where the Armed Forces of the United States are engaged in action against an enemy of the United States, engaged in military operations involving armed conflict with a hostile foreign force, or serving with a friendly foreign force in an armed conflict in which the United States is not a belligerent; or

"(11) while hospitalized in a facility under the jurisdiction of the Armed Forces of the United States as a result of disease or injury incurred as a result of services in an overseas area designated by the President under clause (D) (1); and

"(E) the nation in whose armed forces the sender is a member has agreed to assume all international postal transportation charges incurred.

"(b) The Department of Defense shall transfer to the Post Office Department as postal revenue, out of any appropriations or funds available to the Department of Defense, as a necessary expense of the appropriations or funds and of the activities concerned, the equivalent amount of postage due, as determined by the Postmaster General, for matter sent in the mails under authority of subsection (a) of this section.

"(c) Subsections (a) and (b) of this section shall be administered under such conditions, and under such regulations, as the Postmaster General and the Secretary of Defense jointly may prescribe."

(b) The table of contents of chapter 57 of title 39, United States Code, is amended by adding

"4169. Mailing privilege of members of United States Armed Forces and of friendly foreign nations."

Immediately below

"4168. Correspondence of members of diplomatic corps and consuls of countries of Postal Union of Americas and Spain."

SEC. 2. Section 4303(d) of title 39, United States Code, is amended by striking out paragraph (3) and inserting in lieu thereof the following:

"(3) In addition to parcels to which it is otherwise applicable, the eighth zone includes, for purposes of this section only, except as provided by paragraph (4) of this subsection, parcels transported between the United States, its territories and possessions or the Commonwealth of Puerto Rico, and the Canal Zone.

"(4) The rates of postage on air parcel post transported between the United States, its territories and possessions or the Commonwealth of Puerto Rico, and the Canal Zone, and Army, Air Force, and Fleet post offices, shall be the applicable zone rates shown in paragraph (1) of this subsection for mail between the place of mailing or delivery within the United States, its territories or possessions or the Commonwealth of Puerto Rico, and the Canal Zone, and the city of the postmaster serving the Army, Air Force, or Fleet post office concerned.

"(5) Fourth-class parcels not exceeding five pounds in weight and sixty inches in length and girth combined mailed by or addressed to members of the Armed Forces of the United States at or in care of Army, Air Force, and Fleet post offices in overseas combat areas, as designated by the President, shall be transported by air between the point of embarkation and the overseas Army, Air Force, or Fleet post office on a space available basis on United States-flag carriers only, under such conditions and regulations as the Secretary of Defense may prescribe and at rates approved by the Civil Aeronautics Board for space available parcel service which shall not exceed the minimum rates charged for the airlift of military cargo in scheduled airline service.

"(6) Paragraphs (4) and (5) of this subsection shall be administered under such conditions, and under such regulations, as the Postmaster General and the Secretary of Defense jointly may prescribe."

Sec. 3. (a) Section 1040 of title 10, United States Code (relating to free postage for the United States Armed Forces in combat zones), is hereby repealed.

(b) The analysis of chapter 53 of title 10, United States Code, is amended by striking out

"1040. Free postage from combat zones."

Mr. MORRISON. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, this legislation provides urgently needed improvements in postal service for service men and women overseas.

First, it provides free airmail service for letters, post cards, and postal cards mailed by members of the Armed Forces who are engaged in combat, or when mailed by a member of the Armed Forces who is hospitalized due to disease or injury resulting from service in such an overseas area.

Second, air parcel post rates to and from overseas military post offices are established on a basis commensurate with the air service actually provided and paid for by the Post Office Department. The mailer will pay only the air parcel post rates for the domestic movement of the parcel by the Post Office Department—that is, between the port of embarkation and the point of mailing or delivery, as the case may be. Under present law the sender would have to pay the air parcel rate for the eighth zone regardless of the distance involved.

Third, transportation by air is required, between the port of embarkation and members of the Armed Forces in overseas combat areas, for parcels not exceeding 5 pounds in weight and 60 inches in length and girth when such parcels are mailed at regular domestic parcel post rates by or to such members of the Armed Forces. For example, if the mother of a marine serving in Vietnam wants to send him a 5-pound gift she would pay the regular domestic parcel post rate from her home post office to the port of embarkation on the west coast, and the Department of Defense then would be responsible for transporting the package to destination by air, on a space available basis and using U.S.-flag carriers. The cost of transportation beyond the port of embarkation would be borne by the Department, as is presently the case.

This bill was passed unanimously by the subcommittee and it passed unanimously out of the full committee. There was favorable approval by the Defense Department and the Post Office Department.

Mr. CORBETT. Mr. Speaker, will the gentleman yield?

Mr. MORRISON. I yield to the gentleman from Pennsylvania.

Mr. CORBETT. Is it not true there was another bill with an amendment that would have extended these same privileges to members of the Armed Forces anywhere in the world?

Mr. MORRISON. That is correct. That was taken out.

Mr. CORBETT. Is it not true that the chairman of this subcommittee has promised consideration of this legislation as early as possible in the next session?

Mr. MORRISON. That is correct.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MORRISON. I yield to the gentleman from Iowa.

Mr. GROSS. I am in favor of this bill, but I do not think it goes far enough. I think it might have included the troops in Korea and Thailand as well as Vietnam. I hope we can come back to this problem early next year, as the gentleman from Pennsylvania has suggested.

Mr. MORRISON. I agree with the gentleman, and we intend to go into it fully beginning the first of the year.

Mr. ELLSWORTH. Mr. Speaker, a good many Members of Congress have introduced legislation similar to that before the House today. I commend them for their foresight and for their concern for the young men of our country who are defending freedom in a foreign land.

A great many times those of us who are near our loved ones lose sight of a moral and spiritual support they give us. When a time of crisis, which requires a separation from them occurs, we realize how great our dependence upon them is. We all have a tendency to take for granted the people near us; our wives, children, mothers, and fathers. In the course of everyday events they are always near to lend a hand; to support us. Only when they are gone, when we are separated from them, do we realize how greatly we rely upon them.

Someone once spoke of not being able to see the forest for the trees, and that phrase might well apply in this case.

I believe this is what is happening to a great many of our boys in Vietnam and other combat areas. They are now realizing how greatly they depended upon their friends, their relatives, their families, and their loved ones.

In a strange and alien land it is a tremendous boost to morale to be able to send a letter, or to receive a package. The content of a parcel may be little; but, the emotions of one who is able to convey his feelings to his loved ones, or who receives a package from home, cannot be measured by our inadequate standards.

The people of this Nation who have served in foreign lands know of what

I speak. The people who have loved ones overseas know equally well of what I speak.

A letter received from a member of the Armed Forces is a great comfort to his family. A letter assuring that the serviceman is well and fit, greatly relieves a worried and troubled wife, or mother, or father.

There can be no doubt about the desirability nor about the necessity of this type of legislation. Any problem arising from the enactment of this legislation cannot compare with the problems of a young man leaving the comfort and security of the United States, to go to a foreign land which harbors only danger and possible death.

Can the problem of transportation compare with the problems faced by a young man leaving his wife and children? Can the problem of monetary considerations compare with the problems of a young man in a hostile and forbidden land? The answer, of course, is a resounding and overwhelming "no."

We have placed upon the members of our Armed Forces the overwhelming responsibility and awesome duty of defending freedom. This is a terrible assignment. It is often a thankless and hostile burden.

Our men have willingly and patriotically responded, and have acted in the finest tradition of America.

These men have given in full measure, they are fighting for and dying for their belief in democracy and freedom.

Let us grant them this small privilege; they deserve much more.

Mr. ROUDEBUSH. Mr. Speaker, I shall not presume long on the time of the House today, concerning the passage of H.R. 11420. I merely want to state that I strongly support this legislation, designed to permit postage free mail from our servicemen and women in Vietnam. This was a privilege enjoyed by soldiers of other wars, including myself, in World War II. I might also add that the legislation has the very strongest backing from all the veterans organizations. I am sure that our servicemen in this far-off battlefield will be most appreciative. I am pleased that the leadership of both our great political parties have cooperated to assure early passage of this measure. I commend the committee for reporting this fine bill, and extend my personal appreciation to the committee's distinguished chairman.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL VOCATIONAL STUDENT LOAN INSURANCE ACT OF 1965

Mr. DENT. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 7743) to establish a system of loan insurance and a supplementary system of direct loans, to assist students to attend postsecondary business, trade, technical, and other vocational schools, with a Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

"That this Act may be cited as the 'National Vocational Student Loan Insurance Act of 1965'.

"STATEMENT OF PURPOSE AND APPROPRIATIONS AUTHORIZED

"SEC. 2. (a) The purpose of this Act is to enable the Commissioner (1) to encourage States and nonprofit private institutions and organizations to establish adequate loan insurance programs for students in eligible institutions (as defined in section 17), (2) to provide a Federal program of student loan insurance for students who do not have reasonable access to a State or private nonprofit program of student loan insurance covered by an agreement under section 9(b), and (3) to pay a portion of the interest on loans to qualified students which are insured under this Act or under a program of a State or of a nonprofit private institution or organization which meets the requirements of section 9(a)(1)(A).

"(b) For the purpose of carrying out this Act—

"(1) there are authorized to be appropriated to the vocational student loan insurance fund (established by section 13) (A) the sum of \$250,000, and (B) such further sums, if any, as may become necessary for the adequacy of the vocational student loan insurance fund,

"(2) there are authorized to be appropriated, for payments under section 9 with respect to interest on insured loans, such sums for the fiscal year ending June 30, 1966, and succeeding fiscal years, as may be required therefor, and

"(3) there are authorized to be appropriated the sum of \$1,875,000 for making advances pursuant to section 3 for the reserve funds of State and nonprofit private student loan insurance programs.

Sums appropriated under clauses (1) and (2) of this subsection shall remain available until expended, and sums appropriated under clause (3) of this subsection shall remain available for advances under section 3 until the close of the fiscal year ending June 30, 1968.

"ADVANCES FOR RESERVE FUNDS OF STATE AND NONPROFIT PRIVATE LOAN INSURANCE PROGRAMS

"SEC. 3. (a) (1) From the sums appropriated pursuant to clause (3) of section 2(b), the Commissioner is authorized to make advances to any State with which he has made an agreement pursuant to section 9(b) for the purpose of helping to establish or strengthen the reserve fund of the student loan insurance program covered by that agreement. If for any of the fiscal years ending June 30, 1966, June 30, 1967, or June 30, 1968, a State does not have a student loan insurance program covered by an agreement pursuant to section 9(b), and the Commissioner determines after consultation with the chief executive officer of that State that there is no reasonable likelihood that the State will have such a student loan insurance program for such year, the Commissioner may make advances for such year for the same purpose to one or more nonprofit private institutions or organizations with which he has made an agreement pursuant to section 9(b) in order to enable students in that State to participate in a program of student loan insurance covered by such an agreement. The Commissioner may make advances under this subsection both to a State program with which he has such an agreement and to one or more nonprofit private institutions or organizations with which he has such an agreement in that State if he determines that such advances are necessary in order that students in each eligible institution have access through such institution to

a student loan insurance program which meets the requirements of section 9(b)(1).

"(2) Advances pursuant to this subsection shall be upon such terms and conditions (including conditions relating to the time or times of payment) consistent with the requirements of section 9(b) as the Commissioner determines will best carry out the purposes of this section. Advances made by the Commissioner under this subsection shall be repaid within such period as the Commissioner may deem to be appropriate in each case in the light of the maturity and solvency of the reserve fund for which the advance was made.

"(b) The total of the advances to any State pursuant to subsection (a) may not exceed an amount which bears the same ratio to 2½ per centum of \$75,000,000 as the population of that State aged eighteen to twenty-two, inclusive, bears to the total population of all the States aged eighteen to twenty-two, inclusive. If the amount so determined for any State, however, is less than \$10,000, it shall be increased to \$10,000 and the total of the increases thereby required shall be derived by proportionately reducing (but not below \$10,000) the amount so determined for each of the remaining States. Advances to nonprofit private institutions and organizations pursuant to subsection (a) may be in such amounts as the Commissioner determines will best achieve the purposes for which they are made, except that the sum of (1) advances to such institutions and organizations for the benefit of students in any State plus (2) the amounts advanced to such State, may not exceed the maximum amount which may be advanced to that State pursuant to the first two sentences of this subsection. For the purposes of this subsection, the population aged eighteen to twenty-two, inclusive, of each State and of all the States shall be determined by the Commissioner on the basis of the most satisfactory data available to him.

"EFFECT OF ADEQUATE NON-FEDERAL PROGRAMS

"SEC. 4. The Commissioner shall not issue certificates of insurance under section 11 to lenders in a State if he determines that every eligible institution has reasonable access in that State to a State or private nonprofit student loan insurance program which is covered by an agreement under section 9(b).

"SCOPE AND DURATION OF LOAN INSURANCE PROGRAM

"SEC. 5. (a) The total principal amount of new loans made and installments paid pursuant to lines of credit (as defined in section 17) to students covered by insurance under this Act shall not exceed \$75,000,000 in the fiscal year ending June 30, 1966, and in each of the two succeeding fiscal years. Thereafter, insurance pursuant to this part may be granted only for loans made (or for loan installments paid pursuant to lines of credit) to enable students, who have obtained prior loans insured under this Act, to continue or complete their educational programs; but no insurance may be granted for any loan made or installment paid after June 30, 1972.

"(b) The Commissioner may, if he finds it necessary to do so in order to assure an equitable distribution of the benefits of this Act, assign, within the maximum amounts specified in subsection (a), insurance quotas applicable to eligible lenders, or to States or areas, and may from time to time reassign unused portions of these quotas.

"LIMITATIONS ON INDIVIDUAL LOANS AND ON INSURANCE

"SEC. 6. (a) No loan or loans by one or more eligible lenders in excess of \$1,000 in the aggregate to any student in any academic year or its equivalent shall be covered by insurance under this Act. The aggregate

insured unpaid principal amount of all such insured loans made to any student shall not at any time exceed \$2,000. The annual insurable limit per student shall not be deemed to be exceeded by a line of credit under which actual payments by the lender to the borrower will not be made in any year in excess of the annual limit.

"(b) The insurance liability on any loan insured under this Act shall be 100 per centum of the unpaid balance of the principal amount of the loan. Such insurance liability shall not include liability for interest whether or not that interest has been added to the principal amount of the loan.

"SOURCES OF FUNDS

"SEC. 7. Loans made by eligible lenders in accordance with this Act shall be insurable whether made from funds fully owned by the lender or from funds held by the lender in a trust or similar capacity and available for such loans.

"ELIGIBILITY OF STUDENT BORROWERS AND TERMS OF STUDENT LOANS

"SEC. 8. (a) A loan by an eligible lender shall be insurable under the provisions of this Act only if—

"(1) made to a student who (A) has been accepted for enrollment at an eligible institution or, in the case of a student already attending such institution, is in good standing there as determined by the institution, and (B) is carrying at least one-half of the normal full-time workload as determined by the institution, and (C) has provided the lender with a statement of the institution which sets forth a schedule of the tuition and fees applicable to that student and its estimate of the cost of board and room for such a student; and

"(2) evidenced by a note or other written agreement which—

"(A) is made without security and without endorsement, except that if the borrower is a minor and such note or other written agreement executed by him would not, under the applicable law, create a binding obligation, endorsement may be required,

"(B) provides for repayment (except as provided in subsection (c)) of the principal amount of the loan in installments over a period of not less than three years (unless sooner repaid) nor more than six years beginning not earlier than nine months nor later than one year after the date on which the student ceases to carry at an eligible institution at least one-half the normal full-time academic workload as determined by the institution in accordance with regulations of the Commissioner, except (i) as provided in clause (C) below, (ii) that the period of the loan may not exceed nine years from the execution of the note or written agreement evidencing it and (iii) the note or other written instrument may contain such provisions relating to repayment in the event of default in the payment of interest or in the payment of the cost of insurance premiums, or other default by the borrower, as may be authorized by regulations of the Commissioner in effect at the time the loan is made,

"(C) provides that periodic installments of principal need not be paid, but interest shall accrue and be paid, during any period (1) during which the borrower is pursuing a full-time course of study at an institution of higher education or at a comparable institution outside the States approved for this purpose by the Commissioner, (ii) not in excess of three years, during which the borrower is a member of the Armed Forces of the United States, or (iii) not in excess of three years during which the borrower is in service as a volunteer under the Peace Corps Act, and any such period shall not be included in determining the six-year period or the nine-year period provided in clause (B) above.

"(D) provides for interest on the unpaid principal balance of the loan at a yearly rate, not exceeding the applicable maximum rate prescribed and defined by the Secretary (within the limits set forth in subsection (b)) on a national, regional, or other appropriate basis, which interest shall be payable in installments over the period of the loan except that, if provided in the note or other written agreement, any interest payable by the student may be deferred until not later than the date upon which repayment of the first installment of principal falls due, in which case interest that has so accrued during that period may be added on that date to the principal (but without thereby increasing the insurance liability under this Act).

"(E) provides that the lender will not collect or attempt to collect from the borrower any portion of the interest on the note which is payable by the Commissioner under this Act.

"(F) entitles the student borrower to accelerate without penalty repayment of the whole or any part of the loan, and

"(G) contains such other terms and conditions, consistent with the provisions of this Act and with the regulations issued by the Commissioner pursuant to this Act, as may be agreed upon by the parties to such loan, including, if agreed upon, a provision requiring the borrower to pay to the lender, in addition to principal and interest, amounts equal to the insurance premiums payable by the lender to the Commissioner with respect to such loan.

"(b) No maximum rate of interest prescribed and defined by the Secretary for the purposes of clause (2) (D) of subsection (a) may exceed 6 per centum per annum on the unpaid principal balance of the loan, except that under circumstances which threaten to impede the carrying out of the purposes of this Act, one or more of such maximum rates of interest may be as high as 7 per centum per annum on the unpaid principal balance of the loan.

"(c) The total of the payments by a borrower during any year of any repayment period with respect to the aggregate amount of all loans to that borrower which are insured under this Act shall not be less than \$360 or the balance of all such loans (together with interest thereon), whichever amount is less.

"FEDERAL PAYMENTS TO REDUCE STUDENT INTEREST COSTS

"SEC. 9. (a) (1) Each student who has received a loan—

"(A) which is insured under this Act;

"(B) which was made for study at an eligible institution under a State student loan program (meeting criteria prescribed by the Commissioner), and which was contracted for, and paid to the student, within the period specified by paragraph (4); or

"(C) which is insured under a program of a State or of a nonprofit private institution or organization, which was contracted for, and paid to the student, within the period specified in paragraph (4), and which—

"(i) in the case of a loan insured prior to July 1, 1967, was made by an eligible lender and is insured under a program which meets the requirements of subparagraph (E) of subsection (b) (1) and provides that repayment of such loan shall be in installments beginning not earlier than sixty days after the student ceases to pursue a course of study (as described in subparagraph (D) of subsection (b) (1)) at an eligible institution, or

"(ii) in the case of a loan insured after June 30, 1967, is insured under a program covered by an agreement made pursuant to subsection (b),

and whose adjusted family income is less than \$15,000 at the time of execution of the note or written agreement evidencing such

loan, shall be entitled to have paid on his behalf and for his account to the holder of the loan, over the period of the loan, a portion of the interest on the loan. For the purposes of this paragraph, the adjusted family income of a student shall be determined pursuant to regulations of the Commissioner in effect at the time of the execution of the note or written agreement evidencing the loan. Such regulations shall provide for taking into account such factors, including family size, as the Commissioner deems appropriate.

"(2) The portion of the interest on a loan which a student is entitled to have paid on his behalf and for his account to the holder of the loan pursuant to paragraph (1) shall be equal to the total amount of the interest on the unpaid principal amount of the loan which accrues prior to the beginning of the repayment period of the loan, and 3 per centum per annum of the unpaid principal amount of the loan (excluding interest which has been added to principal) thereafter; but such portion of the interest on a loan shall not exceed, for any period, the amount of the interest on that loan which is payable by the student after taking into consideration the amount of any interest on that loan which the student is entitled to have paid on his behalf for that period under any State or private loan insurance program. In the absence of fraud by the lender, that determination shall be final so far as the obligation of the Commissioner to pay a portion of the interest on a loan is concerned. The holder of a loan with respect to which payments are required to be made under this section shall be deemed to have a contractual right, as against the United States, to receive from the Commissioner the portion of interest which has been so determined. The Commissioner shall pay this portion of the interest to the holder of the loan on behalf of and for the account of the borrower at such times as may be specified in regulations in force when the applicable agreement entered into pursuant to subsection (b) was made, or if the loan was made by a State or is insured under a program which is not covered by such an agreement, at such times as may be specified in regulations in force at the time the loan was paid to the student.

"(3) Each holder of a loan with respect to which payments of interest are required to be made by the Commissioner shall submit to the Commissioner, at such time or times and in such manner as he may prescribe, statements containing such information as may be required by or pursuant to regulation for the purpose of enabling the Commissioner to determine the amount of the payment which he must make with respect to that loan.

"(4) The period referred to in subparagraphs (B) and (C) of paragraph (1) of this subsection shall begin on the date of enactment of this Act and end on June 30, 1968, except that, in the case of a loan made or insured under a student loan or loan insurance program, to enable a student who has obtained a prior loan made or insured under such program to continue his educational program, such period shall end on June 30, 1972.

"(5) No payment may be made under this section with respect to the interest on a loan made from a student loan fund established under title II of the National Defense Education Act of 1958.

"(b) (1) Any State or any nonprofit private institution or organization may enter into an agreement with the Commissioner for the purpose of entitling students who receive loans which are insured under a student loan insurance program of that State, institution, or organization to have made on their behalf payments equal to those provided for in subsection (a) if the Commissioner determines that the student loan insurance program—

"(A) authorizes the insurance of not less than \$1,000 in loans to any individual student in any academic year or its equivalent (as determined under regulations of the Commissioner);

"(B) authorizes the insurance of loans to any individual student for at least two academic years of study or their equivalent as determined under regulations of the Commissioner);

"(C) provides that (i) the student borrower shall be entitled to accelerate without penalty the whole or any part of an insured loan, (ii) the period of any insured loan may not exceed nine years from the date of execution of the note or other written evidence of the loan, and (iii) the note or other written evidence of any loan may contain such provisions relating to repayment in the event of default by the borrower as may be authorized by regulations of the Commissioner in effect at the time such note or written evidence was executed;

"(D) subject to subparagraph (C), provides that, where the total of the insured loans to any student which are held by any one person exceeds \$1,000, repayment of such loans shall be in installments over a period of not less than three years nor more than six years beginning not earlier than nine months nor later than one year after the student ceases to pursue a full-time course of study at an eligible institution, except that if the program provides for the insurance of loans for part-time study at eligible institutions the program shall provide that such repayment period shall begin not earlier than nine months nor later than one year after the student ceases to carry at an eligible institution at least one-half the normal full-time academic workload as determined by the institution;

"(E) authorizes interest on the unpaid balance of the loan at a yearly rate not in excess of 6 per centum per annum on the unpaid principal balance of the loan (exclusive of any premium for insurance which may be passed on to the borrower);

"(F) insures not less than 90 per centum of the unpaid principal of loans insured under the program;

"(G) does not provide for collection of an excessive insurance premium;

"(H) provides that the benefits of the loan insurance program will not be denied any student because of his family income or lack of need if his adjusted family income at the time the note or written agreement is executed is less than \$15,000 (as determined pursuant to the regulations of the Commissioner prescribed under section 9(a)(1));

"(I) provides that a student may obtain insurance under the program for a loan for any year of study at an eligible institution; and

"(J) in the case of a State program, provides that such State program is administered by a single State agency, or by one or more nonprofit private institutions or organizations under the supervision of a single State agency.

"(2) Such an agreement shall—

"(A) provide that the holder of any such loan will be required to submit to the Commissioner, at such time or times and in such manner as he may prescribe, statements containing such information as may be required by or pursuant to regulation for the purpose of enabling the Commissioner to determine the amount of the payment which he must make with respect to that loan;

"(B) include such other provisions as may be necessary to protect the financial interest of the United States and promote the purposes of this Act and as are agreed to by the Commissioner and the State or private organization or institution; and

"(C) provide for making such reports in such form and containing such information as the Commissioner may reasonably require to carry out his function under this Act and

for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

"DIRECT LOANS

"SEC. 10. (a) The Commissioner may make a direct loan to any student who would be eligible for an insured loan under this Act if (1) in the particular area in which the student resides loans which are insurable under this Act are not available at the rate of interest prescribed by the Secretary pursuant to section 8(a)(2)(D) for such area, or (2) the particular student has been unable to obtain an insured loan at a rate of interest which does not exceed such rate prescribed by the Secretary.

"(b) Loans made under this section shall bear interest at the rate prescribed by the Secretary under section 8(a)(2)(D) for the area where the student resides, and shall be made on such other terms and conditions as the Commissioner shall prescribe, which shall conform as nearly as practicable to the terms and conditions of loans insured under this Act.

"(c) There is authorized to be appropriated the sum of \$1,000,000 for the fiscal year ending June 30, 1966, and for each of the four succeeding fiscal years to carry out this section.

"CERTIFICATES OF INSURANCE—EFFECTIVE DATE OF INSURANCE

"SEC. 11. (a) (1) If, upon application by an eligible lender, made upon such form, containing such information, and supported by such evidence as the Commissioner may require, and otherwise in conformity with this section, the Commissioner finds that the applicant has made a loan to an eligible student which is insurable under the provisions of this Act, he may issue to the applicant a certificate of insurance covering the loan and setting forth the amount and terms of the insurance.

"(2) Insurance evidenced by a certificate of insurance pursuant to subsection (a)(1) shall become effective upon the date of issuance of the certificate, except that the Commissioner is authorized, in accordance with regulations, to issue commitments with respect to proposed loans, or with respect to lines (or proposed lines) of credit, submitted by eligible lenders, and in that event, upon compliance with subsection (a)(1) by the lender, the certificate of insurance may be issued effective as of the date when any loan, or any payment by the lender pursuant to a line of credit, to be covered by such insurance was made. Such insurance shall cease to be effective upon sixty days' default by the lender in the payment of any installment of the premiums payable pursuant to subsection (c).

"(3) An application submitted pursuant to subsection (a)(1) shall contain (A) an agreement by the applicant to pay, in accordance with regulations, the premiums fixed by the Commissioner pursuant to subsection (c), and (B) an agreement by the applicant that if the loan is covered by insurance the applicant will submit such supplementary reports and statements during the effective period of the loan agreement, upon such forms, at such times, and containing such information as the Commissioner may prescribe by or pursuant to regulation.

"(b) (1) In lieu of requiring a separate insurance application and issuing a separate certificate of insurance for each student loan made by an eligible lender as provided in subsection (a), the Commissioner may, in accordance with regulations consistent with section 5, issue to any eligible lender applying therefor a certificate of comprehensive insurance coverage which shall, without further action by the Commissioner, insure all insurable loans made by that lender, on or after the date of the certificate and be-

fore a specified cutoff date, within the limits of an aggregate maximum amount stated in the certificate. Such regulations may provide for conditioning such insurance, with respect to any loan, upon compliance by the lender with such requirements (to be stated or incorporated by reference in the certificate) as in the Commissioner's judgment will best achieve the purpose of this subsection while protecting the financial interest of the United States and promoting the objectives of this act, including (but not limited to) provisions as to the reporting of such loans and information relevant thereto to the Commissioner and as to the payment of initial and other premiums and the effect of default therein, and including provision for confirmation by the Commissioner from time to time (through endorsement of the certificate) of the coverage of specific new loans by such certificate, which confirmation shall be incontestable by the Commissioner in the absence of fraud or misrepresentation of fact or patent error.

"(2) If the holder of a certificate of comprehensive insurance issued under this subsection grants to a student a line of credit extending beyond the cutoff date specified in that certificate, loans or payments thereon made by the holder after that date pursuant to the line of credit shall not be deemed to be included in the coverage of that certificate except as may be specifically provided therein; but, subject to the limitations of section 5, the Commissioner may, in accordance with regulations, make commitments to insure such future loans or payments, and such commitments may be honored either as provided in subsection (a) or by inclusion of such insurance in comprehensive coverage under this subsection for the period or periods in which such future loans or payments are made.

"(c) The Commissioner shall, pursuant to regulations, charge for insurance on each loan under this Act a premium in an amount not to exceed one-fourth of 1 per centum per year of the unpaid principal amount of such loan (excluding interest added to principal), payable in advance, at such time and in such manner as may be prescribed by the Commissioner. Such regulations may provide that such premium shall not be payable, or if paid shall be refundable, with respect to any period after default in the payment of principal or interest or after the borrower has died or become totally and permanently disabled, if (1) notice of such default or other event has been duly given, and (2) request for payment of the loss insured against has been made or the Commissioner has made such payment on his own motion pursuant to section 12(a).

"(d) The rights of an eligible lender arising under insurance evidenced by a certificate of insurance issued to it under this section may be assigned as security by such lender only to another eligible lender, and subject to regulation by the Commissioner.

"(e) The consolidation of the obligations of two or more insured loans obtained by a student borrower in any fiscal year into a single obligation evidenced by a single instrument of indebtedness shall not affect the insurance by the United States. If the loans thus consolidated are covered by separate certificates of insurance issued under subsection (a), the Commissioner may upon surrender of the original certificates issue a new certificate of insurance in accordance with that subsection upon the consolidated obligation; if they are covered by a single comprehensive certificate issued under subsection (b), the Commissioner may amend that certificate accordingly.

"PROCEDURE ON DEFAULT, DEATH, OR DISABILITY OF STUDENT

"SEC. 12. (a) Upon default by the student borrower on any loan covered by insurance

pursuant to this Act, or upon the death of the student borrower or a finding by the insurance beneficiary that the borrower has become totally and permanently disabled (as determined in accordance with regulations established by the Commissioner) before the loan has been repaid in full, and prior to the commencement of suit or other enforcement proceeding upon security for that loan, the insurance beneficiary shall promptly notify the Commissioner, and the Commissioner shall if requested (at that time or after further collection efforts) by the beneficiary, or may on his own motion, if the insurance is still in effect, pay to the beneficiary the amount of the loss sustained by the insured upon that loan as soon as that amount has been determined. The 'amount of the loss' on any loan shall, for the purposes of this subsection and subsection (b), be deemed to be an amount equal to the unpaid balance of the principal amount of the loan.

"(b) Upon payment by the Commissioner of the insured portion of the loss pursuant to subsection (a), the United States shall be subrogated to all of the rights of the holder of the obligation upon the insured loan and shall be entitled to an assignment of the note or other evidence of the insured loan by the insurance beneficiary. If the net recovery made by the Commissioner on a loan after deduction of the cost of that recovery (including reasonable administrative costs) exceeds the amount of the loss, the excess shall be paid over to the insured.

"(c) Nothing in this section or in this Act shall be construed to preclude any forbearance for the benefit of the student borrower which may be agreed upon by the parties to the insured loan and approved by the Commissioner, or to preclude forbearance by the Commissioner in the enforcement of the insured obligation after payment on that insurance, or to require collection of the amount of any loan by the insurance beneficiary or by the Commissioner from the estate of a deceased borrower or from a borrower found by the insurance beneficiary to have become permanently and totally disabled.

"(d) Nothing in this section or in this Act shall be construed to excuse the holder of a loan from exercising reasonable care and diligence in the making and collection of loans under the provisions of this Act. If the Commissioner, after reasonable notice and opportunity for hearing to an eligible lender, finds that it has substantially failed to exercise such care and diligence or to make the reports and statements required under section 9(a)(3) and section 11(a)(3), or to pay the required insurance premiums, he shall disqualify that lender for further insurance on loans granted pursuant to this Act until he is satisfied that its failure has ceased and finds that there is reasonable assurance that the lender will in the future exercise necessary care and diligence or comply with such requirements, as the case may be.

"(e) As used in this section—

"(1) the term 'insurance beneficiary' means the insured or its authorized assignee in accordance with section 11(d); and

"(2) the term 'default' includes only such defaults as have existed for (A) one hundred and twenty days in the case of a loan which is repayable in monthly installments, or (B) one hundred and eighty days in the case of a loan which is repayable in less frequent installments.

"INSURANCE FUND

"SEC. 13. (a) There is hereby established a vocational student loan insurance fund (hereinafter in this section called the "fund") which shall be available without fiscal year limitation to the Commissioner for making payments in connection with the default of loans insured under this Act. All amounts received by the Commissioner as

premium charges for insurance and as receipts, earnings, or proceeds derived from any claim or other assets acquired by the Commissioner in connection with his operations under this Act, and any other moneys, property, or assets derived by the Commissioner from his operations in connection with this section, shall be deposited in the fund. All payments in connection with the default of loans insured under this Act shall be paid from the fund. Moneys in the fund not needed for current operations under this section may be invested in bonds or other obligations guaranteed as to principal and interest by the United States.

"(b) If at any time the moneys in the fund are insufficient to make payments in connection with the default of any loan insured under this Act, the Commissioner is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Commissioner with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that Act, as amended, are extended to include any purchases of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. Sums borrowed under this subsection shall be deposited in the fund and redemption of such notes and obligations shall be made by the Commissioner from such fund.

"LEGAL POWERS AND RESPONSIBILITIES

"Sec. 14. (a) In the performance of, and with respect to, the functions, powers, and duties vested in him by this Act, the Commissioner may—

"(1) prescribe such regulations as may be necessary to carry out the purposes of this Act;

"(2) sue and be sued in any court of record of a State having general jurisdiction or in any district court of the United States, and such district courts shall have jurisdiction of civil actions arising under this Act without regard to the amount in controversy, and any action instituted under this subsection by or against the Commissioner shall survive notwithstanding any change in the person occupying the office of Commissioner or any vacancy in that office; but no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Commissioner or property under his control, and nothing herein shall be construed to except litigation arising out of activities under this Act from the application of sections 507(b) and 2679 of title 28 of the United States Code and of section 367 of the Revised Statutes (5 U.S.C. 316);

"(3) include in any contract for insurance such terms, conditions, and covenants relating to repayment of principal and payment of interest, relating to his obligations and rights and to those of eligible lenders, and borrowers in case of default, and relating

to such other matters as the Commissioner determines to be necessary to assure that the purposes of this Act will be achieved; and any term, condition, and covenant made pursuant to this clause or any other provisions of this Act may be modified by the Commissioner if he determines that modification is necessary to protect the financial interest of the United States;

"(4) subject to the specific limitations in this Act, consent to the modification, with respect to rate of interest, time of payment of any installment of principal and interest or any portion thereof, or any other provision of any note or other instrument evidencing a loan which has been insured under this Act;

"(5) enforce, pay, or compromise, any claim on, or arising because of, any such insurance; and

"(6) enforce, pay, compromise, waive, or release any right, title, claim, lien, or demand, however acquired, including any equity or any right or redemption.

"(b) The Commissioner shall, with respect to the financial operations arising by reason of this Act—

"(1) prepare annually and submit a budget program as provided for wholly owned Government corporations by the Government Corporation Control Act; and

"(2) maintain with respect to insurance under this Act an integral set of accounts, which shall be audited annually by the General Accounting Office in accordance with principles and procedures applicable to commercial corporate transactions, as provided by section 105 of the Government Corporation Control Act, except that the transactions of the Commissioner, including the settlement of insurance claims and of claims for payments pursuant to section 9, and transactions related thereto and vouchers approved by the Commissioner in connection with such transactions, shall be final and conclusive upon all accounting and other officers of the Government.

"ADVISORY COUNCIL ON INSURED LOANS TO VOCATIONAL STUDENTS

"Sec. 15. (a) The Secretary shall establish in the Office of Education an Advisory Council on Insured Loans to Vocational Students, consisting of the Commissioner, who shall be Chairman, and eight members appointed, without regard to the civil service laws, by the Secretary. The membership of the Council shall include persons representing State loan insurance programs, private nonprofit loan insurance programs, financial and credit institutions, and eligible institutions.

"(b) The Advisory Council shall advise the Commissioner in the preparation of general regulations and with respect to policy matters arising in the administration of this Act, including policies and procedures governing the making of advances under section 3, the Federal payments to reduce student interest costs under section 9 and the making of loans under section 10.

"(c) Members of the Advisory Council, while attending meetings or conferences of such Council, or otherwise engaged in the business of such Council, shall be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding \$100 per diem, including travel time, and while so serving on the business of the Advisory Council away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b-2), for persons in the Government service employed intermittently.

"PARTICIPATION BY FEDERAL CREDIT UNIONS IN FEDERAL, STATE, AND PRIVATE STUDENT LOAN INSURANCE PROGRAMS

"Sec. 16. Notwithstanding any other provision of law, Federal credit unions shall,

pursuant to regulations of the Director of the Bureau of Federal Credit Unions, have power to make insured loans up to 5 per centum of their assets, to student members in accordance with the provisions of this Act or in accordance with the provisions of any State or nonprofit private student loan insurance program with respect to which there is in effect an agreement with the Commissioner under section 9(b).

"DEFINITIONS

"Sec. 17. As used in this Act—

"(a) The term 'eligible institution' means a business or trade school, or technical institution or other technical or vocational school, in any State, which (1) admits as regular students only persons who have completed or left elementary or secondary school and who have the ability to benefit from the training offered by such institution; (2) is legally authorized to provide, and provides within that State, a program of postsecondary vocational or technical education designed to fit individuals for useful employment in recognized occupations; (3) has been in existence for 2 years or has been specially accredited by the Commissioner as an institution meeting the other requirements of this subsection; and (4) is accredited (A) by a nationally recognized accrediting agency or association listed by the Commissioner pursuant to this clause, (B) if the Commissioner determines that there is no nationally recognized accrediting agency or association qualified to accredit schools of a particular category, by a State agency listed by the Commissioner pursuant to this clause, and (C) if the Commissioner determines there is no nationally recognized or State agency or association qualified to accredit schools of a particular category, by an advisory committee appointed by him and composed of persons specially qualified to evaluate training provided by schools of that category, which committee shall prescribe the standards of content, scope, and quality which must be met by those schools in order for loans to students attending them to be insurable under this Act and shall also determine whether particular schools meet those standards. For the purpose of this subsection, the Commissioner shall publish a list of nationally recognized accrediting agencies or associations and State agencies which he determines to be reliable authority as to the quality of education or training afforded.

"(b) The term 'eligible lender' means an eligible institution, an agency or instrumentality of a State, or a financial or credit institution (including an insurance company) which is subject to examination and supervision by an agency of the United States or of any State.

"(c) The term 'line of credit' means an arrangement or agreement between the lender and the borrower whereby a loan is paid out by the lender to the borrower in annual installments, or whereby the lender agrees to make, in addition to the initial loan, additional loans in subsequent years.

"(d) The term 'State' includes, in addition to the several States of the Union, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"(e) The term 'Secretary' means the Secretary of Health, Education, and Welfare.

"(f) The term 'Commissioner' means the Commissioner of Education."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

Mr. DENT. Mr. Speaker, I ask unanimous consent to submit for the RECORD at this point a complete explanation of the amendments to the bill itself.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. DENT. Mr. Speaker, this bill has a rather dramatic history to date. For years, we have been trying to pass legislation of this nature; legislation so vital and necessary to the student pursuing his field of endeavor in a postsecondary vocational school. Only this year was favorable action taken, and that action was indeed favorable. Extensive hearings and investigations were made into the area again this year, and H.R. 7743 came before the House on June 21, 1965. The vote was a resounding and positive, 300 to 0. On September 28, the Senate passed the bill, with an amendment, by unanimous vote. The question now is: Will the House accept the Senate amendment?

Mr. Speaker, I strongly urge the House to do so. I have cleared this with the ranking minority member of the subcommittee that originally considered the bill, the gentleman from Nebraska [Mr. MARTIN], and he has approved the Senate amendment. All are in accord that the bill as amended by the Senate, meets the same objectives and intentions the House ratified on June 21. Let me explain the basic difference between the two versions.

It must first be understood that the Senate amendment provides only the same benefits as those afforded college and university students in the pending higher education bill. The House bill provided a system of loan insurance and a supplementary system of direct loans to students in business, trade, technical, and other vocational schools. The Senate amendment provides the same basic arrangement, modified, however, to conform to opportunities available to college or university students.

Specifically, the differences are as follows:

First. Section 3 of the Senate amendment provides advances for reserve funds of State and nonprofit private loan insurance programs. Subsection (a) of this section authorizes the Commissioner to make repayable advances to any State with which he has made his agreement pursuant to section 9(b), for the purpose of helping to establish or strengthen the reserve fund of the student loan program covered by that agreement. If a State will not have a vocational student loan insurance program covered by the agreement under section 9(b)—as determined for each of the fiscal years 1966, 1967, and 1968—then for any such year advances could be made to one or more nonprofit private programs to cover students in that State. Advances could be made to both State and private funds if necessary in order to assure that students at every eligible institution have access through such institution to a student loan insurance program. Advances and repayments under this subsection will be upon terms and conditions prescribed by the Commissioner. The \$1,875,000 authorized for advances to

State and nonprofit private programs under subsection (a) is to be allocated among the population aged 18 to 22 inclusive, but with no State receiving less than \$10,000. The House bill had no such provision.

Second. Section 4 of the Senate amendment prohibits the Commissioner from issuing insurance certificates to lenders in a State when he determines that every eligible institution has reasonable access in that State to either a State or private nonprofit program covered by an agreement under section 9(b). The House bill had no such provision.

Third. The Senate amendment provides for a 3-year program of loan insurance, whereas the House bill established a program without limitations on duration. The Senate amendment also limits the amount of insured loans made to a student to \$1,000 in any academic year, or \$2,000 in total. The House bill provided \$1,500 per year, and \$3,000 in total.

Fourth. The Senate amendment contains a section providing Federal payment to reduce student interest costs.

This section directs the Commissioner to make payments to holders of insured student loans to reduce student interest costs. A student whose adjusted family income is less than \$15,000, and who has received a loan insured under this act or under a State or nonprofit private program and meets its standards, will be entitled to have paid on his behalf to the holder of the loan, over a period of the loan, a portion of the interest on the loan. In order to entitle the student borrowers to the benefit of the interest subsidy with respect to loans insured by any State or private nonprofit private program, such program must, after June 30, 1967, have an agreement meeting all the requirements provided in section 9(c) concerning the terms of the loan insurance programs. During the transitional period prior to July 1, 1967, such program must only meet the standards limiting the interest rate to no higher than 6 percent yearly on the unpaid principal balance of the loan and the provision that repayment of the insured loans shall not be required to begin earlier than 60 days after the student ceases to pursue his course of study at an eligible institution. Adjusted family income will be determined under regulations of the Commissioner which will take into account appropriate factors such as family size.

The payment a student is entitled to have made on his behalf under this section will, during the period which precedes the repayment period of the loan, be equal to the total amount of the interest which accrued prior to the beginning of the repayment period to the beginning of the repayment period, and will, during the repayment period, be equal to 3 per annum of the unpaid, principal amount of the loan. However, the payment may not exceed, for any period, the amount of the interest, which—but for such payment—would be actually payable by the student, taking into consideration interest payments on his behalf for that period under any

State or private loan insurance program. The holder of an insured loan will have contractual right, as against the United States, to be paid by the Commissioner the portion of interest which has been determined under this section. The Commissioner will prescribe the manner of payment and the form of certain reports to be made by the holder of the loan.

Subsection (b) of this section sets forth the conditions under which students whose loans are insured under State or private programs will receive payments to reduce their interest costs under this section. Any State or any nonprofit private institution or organization which has a student loan insurance program may enter into an agreement with the Commissioner to permit students who receive loans which are insured under its program to have made on their behalf payments under subsection (a), if the Commissioner determined that the insurance program—

(A) Authorizes the insurance of up to \$1,000 in loans per student per academic year;

(B) Authorizes the insurance of loans to any individual student for at least 2 academic years of study;

(C) Provides that (i) the student borrower may accelerate without penalty the whole or any part of an insured loan, (ii) the period of any insured loan may not exceed 9 years from the date of execution of the note evidencing the loan, and (iii) the note contain certain default provisions prescribed by the Commissioner's regulations;

(D) Subject to the preceding subparagraph, provides that, if a student's insured loans held by any one person exceed \$1,000, then repayment of such loans will be in installments over a period of not less than 3 years nor more than 6 years beginning between 9 months and 1 year after the student ceases to pursue a full-time course of study at an eligible institution—except that if the program provides for the insurance of loans for part-time study at eligible institutions, the repayment period will begin between 9 months and 1 year after the student ceases to carry at least one-half the normal full-time academic workload;

(E) Limits interest—exclusive of the insurance premium—to 6 percent per annum on the unpaid principal balance of the loan;

(F) Insures at least 90 percent of the unpaid principal of loans insured under the program;

(G) Does not provide for collection of an excessive insurance premium;

(H) Provides that the benefits of the loan insurance program will not be denied any student because of his family income or lack of need, if his adjusted family income is less than \$15,000;

(I) Provides that a student may obtain insurance under the program for a loan for any year of study at an eligible institution; and

(J) Provides, in case of a State program, that the program will be administered by a single State agency, or by one or more nonprofit private institutions or organizations under supervision of such an agency—

Agreements under this subsection will require reports and have certain other provisions necessary to carry out this act.

Fifth. The Senate amendment, in section 15 requires the Secretary of Health, Education, and Welfare to establish in the Office of Education, an Advisory Council on Insured Loans to Vocational Students. The Council would consist of the Commissioner, who would be Chairman, and eight members, including persons representing State and private non-profit loan insurance programs, financial and credit institutions, and eligible institutions. The Council would advise the Commissioner in the preparation of general regulations, and with respect to policy matters arising in the administration of this act.

Sixth. Finally, the Senate amendment adds an eligibility for Federal credit unions to use up to 5 percent of their assets for making to their members student loans insured under this act or under certain State or private loan insurance programs.

Mr. Speaker, I strongly urge the House to accept the Senate amendment so as to get this program in the administration stage. Thousands of business, trade, technical, and other vocational school students anxiously await this vital program of assistance. Thousands more of potential students likewise await the decision of this body. This is no "hand-out" program of giveaway; it is a program of assistance to a category of student often denied, neglected, and forgotten—but a category of students every bit as precious to America as the college or university student. Let us here and now end this era of neglect and accept the Senate amendment. Let us here and now affirm our confidence in these students and provide them with equal educational opportunity. We need them and they need the National Vocational Student Loan Insurance Act of 1965.

GENERAL LEAVE TO EXTEND REMARKS

Mr. MORRISON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the bill H.R. 11420.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

RESOLUTION DISMISSING THE ELECTION CONTEST IN THE THIRD CONGRESSIONAL DIS- TRICT OF THE STATE OF IOWA

Mr. BURLESON, from the Committee on House Administration, reported the following privileged report (H. Res. 602, Rept. No. 1127) which was referred to the House Calendar and ordered to be printed.

Mr. PELLY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll and the following Members failed to answer to their names:

[Roll No. 358]

Anderson, Ill.	Gubser	Powell
Andrews, George W.	Hagan, Ga.	Reinecke
Arends	Hardy	Resnick
Ayres	Hays	Rivers, S.C.
Bates	Hébert	Saylor
Bolling	Hollifield	Senner
Bonner	Holland	Smith, Calif.
Brock	Hosmer	Smith, N.Y.
Byrnes, Wis.	Joelson	Steed
Cabell	Johnson, Okla.	Stephens
Celler	Keogh	Thomas
Clawson, Del.	Lennon	Thompson, Tex.
Cunningham	Lindsay	Toll
Dawson	Long, La.	Tuck
Dulski	McDowell	Utt
Duncan, Oreg.	Martin, Ala.	Vanik
Evans, Colo.	Martin, Mass.	White, Idaho
Fino	Moore	Whitten
Flood	Murray	Williams
Fraser	O'Hara, Ill.	Wyatt
	Pepper	

The SPEAKER pro tempore (Mr. ALBERT). On this rollcall, 369 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AUTOMOTIVE PRODUCTS TRADE ACT OF 1965

Mr. MILLS. Mr. Speaker, I call up the conference report on the bill (H.R. 9042) to provide for the implementation of the Agreement Concerning Automotive Products Between the Government of the United States of America and the Government of Canada, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas [Mr. MILLS]?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1115)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9042) to provide for the implementation of the Agreement Concerning Automotive Products Between the Government of the United States of America and the Government of Canada, and for other purposes, having met after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 3, 4, 5, 6, 7, 8, 9, 11, and 12, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with amendments, as follows: Restore the matter proposed to be stricken out by the Senate amendment, omit the matter proposed to be inserted by the Senate amendment, and on page 5 of the House engrossed bill, after line 21, insert the following:

"(e) This section shall cease to be in effect on the day after the date of the enactment of this Act."

And the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SPECIAL REPORTS TO CONGRESS

"SEC. 205. (a) No later than August 31, 1968, the President shall submit to the Senate and the House of Representatives a special report on the comprehensive review called for by Article IV (c) of the Agreement. In such report he shall advise the Congress of the progress made toward the achievement of the objectives of Article I of the Agreement.

"(b) Whenever the President finds that any manufacturer has entered into any undertaking, by reason of governmental action, to increase the Canadian value added of automobiles, buses, specified commercial vehicles, or original equipment parts produced by such manufacturer in Canada after August 31, 1968, he shall report such finding to the Senate and the House of Representatives. The President shall also report whether such undertaking is additional to undertakings agreed to in letters of undertaking submitted by such manufacturer before the date of the enactment of this Act.

"(c) The reports provided for in subsections (a) and (b) of this section shall include recommendations for such further steps, including legislative action, if any, as may be necessary for the achievement of the purposes of the Agreement and this Act."

And the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: On page 7, line 4, of the Senate engrossed amendments, after "specifically shall include" insert the following: ", to the extent practicable,"; and the Senate agree to the same.

W. D. MILLS,
CECIL R. KING,
HALE BOGGS,
EUGENE J. KEOGH,
JOHN W. BYRNES,
THOMAS B. CURTIS,
JAMES UTT,

Managers on the Part of the House.

HARRY F. BYRD,
RUSSELL B. LONG,
GEORGE SMATHERS,
JOHN J. WILLIAMS,
FRANK CARLSON,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9042) to provide for the implementation of the Agreement Concerning Automotive Products Between the Government of the United States of America and the Government of Canada, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendment No. 1: Section 202(a) of the bill as passed by the House authorized the President to proclaim modifications of the Tariff Schedules required to carry out an agreement with a foreign government providing for the mutual elimination of the duties applicable to products of the United States and such foreign country which are motor vehicles and fabricated components intended for use as original equipment in the manufacture of such vehicles.

Section 202(b) authorized the President to proclaim modifications of the Tariff Schedules required to carry out a further agreement, with a foreign country having an agreement applicable to products described in section 202(a), providing for the mutual reduction or elimination of the duties appli-

cable to automotive products other than motor vehicles and fabricated components intended for original use as original equipment in the manufacture of such vehicles.

Section 202(c) provided that, before the President enters into an agreement referred to in section 202 (a) or (b), he shall—

(1) Seek the advice of the Tariff Commission as to the probable economic effect of the reduction or elimination of duties on industries producing articles like or directly competitive with those which may be covered by such agreement;

(2) Give reasonable public notice of his intention to negotiate such agreement (which notice shall be published in the Federal Register) in order that any interested person may have an opportunity to present his views to such agency as the President shall designate, under such rules and regulations as the President may prescribe; and

(3) Seek information and advice with respect to such agreement from the Departments of Commerce, Labor, State, and the Treasury, and from such other sources as he may deem appropriate.

Section 202(d) (2) of the bill as passed by the House authorized the President to issue any proclamation referred to in section 202 (a) or (b) only after the expiration of the 60-day period following its delivery to Congress and only if, between the date of delivery and the expiration of the 60-day period, the Congress has not adopted a concurrent resolution stating in substance that the Senate and House of Representatives disapprove of the agreement.

Senate amendment No. 1 struck out section 202(d) (2) of the bill and substituted a provision authorizing the President to issue any proclamation referred to in section 202 (a) or (b) only if the Congress has adopted a concurrent resolution stating in substance that the Senate and the House of Representatives approve the implementation of the agreement.

Under the conference agreement, the House language is restored, the Senate language is omitted, and new language is inserted providing that section 202 of the bill shall cease to be in effect on the day after the date of the enactment of the bill.

In reaching agreement with respect to amendment No. 1, the managers both on the part of the House and on the part of the Senate expressed the hope that should the President, under his constitutional authority, enter into the negotiation of any agreement relating to automotive products (whether motor vehicles, parts intended for use as original equipment, or replacement parts) the President will prior thereto—

(1) Seek the advice of the Tariff Commission as to the probable economic effect of the reduction or elimination of duties on industries producing articles like or directly competitive with those which may be covered by such an agreement,

(2) Give reasonable public notice of his intention to negotiate such an agreement (and publish notice thereof in the Federal Register) in order that interested persons may have an opportunity to present their views to such agency as the President may designate for that purpose, and

(3) Seek information and advice with respect to such an agreement from the appropriate departments and agencies of the Government, and from such other sources as he may deem appropriate.

It is understood, of course, that any executive agreement that the President may enter into under his constitutional authority can, insofar as any changes in U.S. tariff treatment are concerned, be implemented only by congressional action.

Amendment No. 2. This amendment added a new section 205 to the bill to provide that, under specified circumstances, the President

is to cause an investigation to be made to determine whether any manufacturer has undertaken, by reason of governmental action to increase the Canadian value added of automobiles, buses, specified commercial vehicles, or original equipment parts produced by such manufacturer in Canada after August 31, 1968. If, as a result of such an investigation, the President determines (after applying subsection (c) of the new section) that any manufacturer has undertaken, by reason of governmental action, to increase such Canadian value added, he is to suspend the proclamations issued by him pursuant to section 201 of this act. The amendment also provides for the termination of any such suspension.

The House recedes with an amendment. Under the conference agreement a new section 205, relating to special reports to Congress, is added to the bill.

Such section 205 provides that, no later than August 31, 1968, the President is to submit to the Congress a special report on the comprehensive review called for by Article IV(c) of the Agreement.

The new section 205 also provides that whenever the President finds that any manufacturer has entered into any undertaking, by reason of governmental action, to increase the Canadian value added of automobiles, buses, specified commercial vehicles, or original equipment parts produced by such manufacturer in Canada after August 31, 1968, he shall report such finding to the Senate and the House of Representatives. The President is also to report whether such undertaking is additional to undertakings agreed to in letters of undertaking submitted by such manufacturer before the date of the enactment of this legislation.

The reports provided for in the new section 205 are to include recommendations for such further steps, including legislative action, if any, as may be necessary for the achievement of the purposes of the Agreement and the Act.

Amendments Nos. 3, 4, 5, 6, 7, 8, and 9: These amendments make technical amendments to title IV of the bill to conform tariff designations of articles entitled to duty-free entry to changes in the Tariff Schedules of the United States made by the Technical Amendments Act of 1965. The House recedes.

Amendment No. 10: Section 502 of the bill as passed both by the House and the Senate requires the President to submit to the Congress an annual report on the implementation of the bill and required the report to "include information regarding new negotiations, reductions or eliminations of duties, reciprocal concessions obtained, and other information relating to activities under the Act." Senate amendment No. 10 requires in addition that the annual report include information providing an evaluation of the Canadian Auto Agreement and the Act in relation to the total national interest and specifically to include information with respect to—

(1) The production of motor vehicles and motor vehicle parts in the United States and Canada,

(2) The retail prices of motor vehicles and motor vehicle parts in the United States and Canada,

(3) Employment in the motor vehicle industry and motor vehicle parts industry in the United States and Canada, and

(4) United States and Canadian trade in motor vehicles and motor vehicle parts, particularly trade between the United States and Canada.

The House recedes with a technical amendment. With respect to the language quoted above from the second sentence of section 502 of the bill, it should be noted that the effect of such language (insofar as it relates to section 202 of the bill) is modified by the

conference action on Senate amendment No. 1.

Amendment No. 11: This amendment adds a new section 503 to the bill which provides that nothing contained in the bill shall be construed to affect or modify the provisions of the Anti-Dumping Act, 1921, or of the antitrust laws of the United States. The House recedes.

Amendment No. 12: This amendment adds a new title VI to the bill. The new title eliminates the \$10,000 ceiling on appropriations for the Joint Committee on Reduction of Nonessential Federal Expenditures. Under the amendment there are authorized to be appropriated such sums as may be necessary to carry out the purposes for which the joint committee was created. The House recedes.

W. D. MILLS,
CECIL R. KING,
HALE BOGGS,
EUGENE J. KEOGH,
JOHN W. BYRNES,
THOMAS B. CURTIS,
JAMES UTT,

Managers on the Part of the House.

Mr. MILLS (during the reading of the statement). Mr. Speaker, in view of the fact that the gentleman from Missouri [Mr. CURTIS] and I will take some time to explain what transpired in the conference and to explain what is in the conference report, I ask unanimous consent that the statement of the managers on the part of the House be considered as read.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Arkansas [Mr. MILLS].

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Missouri.

Mr. HALL. Mr. Speaker, I ask unanimous consent to proceed out of the regular order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. HALL. Mr. Speaker, there has just this minute come over the ticker an announcement about our President. He has conversed with the physicians. He is out of the recovery room and has returned to his own suite. He has completely reacted from the anesthetic. The briefing at 12:15 p.m. was that the surgery was complete as expected and that the recovery is progressing nicely and the prognosis is excellent. The single or fundal gallstone was found as pre-diagnosed and removed along with the gallbladder—a bile concentrating reservoir as an offshoot of the vital common bile duct which runs from the liver to the first portion of the small bowel beyond the stomach. Fortunately the common bile duct was not involved. However, as a most important double feature, a known stone lodged in the narrow ureter—passage from the right kidney to the urinary bladder—was also removed. Although this may well be considered a complication or at best an additional risk, it is an extra dividend to complete both operations with one incision and one anesthetic.

I know that my colleagues in the House join me in being delighted at the outcome of this operation on and for our Chief Executive, and certainly we all join in prayers that his recovery will continue speedily, and completely.

Mr. MILLS. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I am sure all of us are pleased at the report that our distinguished friend, the gentleman from Missouri, has just given us concerning the President's recovery from the operation.

All of us hope for his speedy convalescence and speedy return to the arduous duties that go with the high office he holds.

Mr. Speaker, the other body added five substantive amendments to the bill, H.R. 9042, during the consideration of it either in the Finance Committee or on the floor of the Senate.

The effects of two of these amendments which our conferees considered to be undesirable, and I think that was the feeling of most of us, were changed by amendments which are reflected in the conference report.

In the case of another substantive amendment, your conferees succeeded in obtaining the Senate conferees' agreement to an amendment which we think improves their own amendment.

Of the other two substantive amendments as to which our conferees recommend acceptance, one merely states explicitly what we thought was already implicit in the bill itself as it passed the House.

The other had no relation whatsoever to the Canadian-United States automotive products agreement. But because of the nature of the amendment and the situation in the conference, your conferees accepted it. I will discuss that in a moment.

The first of the Senate amendments dealt with section 202 of the bill as it passed the House. This concerned the matter of additional agreements involving automotive products including agreements covering replacement parts and Members will remember that we discussed in connection with the passage of the bill itself that the President might enter into agreements with Canada or with any other foreign nation.

As the bill passed the House, section 202 prescribed certain prenegotiation procedures and authorized the President to implement any such additional agreement after 60 days following his delivery of the agreement to both Houses unless Congress within that 60-day period adopts a concurrent resolution disapproving the agreement.

The Senate amendment took a diametrically opposed approach. Under that amendment the President would have had no authority to implement an additional agreement unless Congress adopted a concurrent resolution approving the implementation of the agreement.

The committee on conference agreed that the House would recede from its disagreement to this particular amendment and agree to the same with an amendment which restored the pertinent House language of the 60-day period within which Congress could veto. But then

we added a subsection (e) providing that the whole of section 202 of the bill would cease to be in effect after the date of the enactment of the bill.

In reaching agreement with respect to Senate Amendment No. 1, the managers, both on the part of the House and on the part of the Senate, recognized that, notwithstanding what is in effect the elimination of section 202 of the bill, the President could, under his constitutional authority, enter into agreements of the character contemplated by section 202, and then seek authority for their implementation by congressional action. The managers on the part of both Houses expressed the hope that if the latter course were to be followed, the executive branch would, prior to the negotiation of any such additional agreement, follow prenegotiation procedures such as those set forth in section 202(c) of the bill.

Frankly, I thought that that was a better solution than to take the approach of the Senate. The Senate felt it could not revert to the approach of the House.

Mr. Speaker, the second amendment of the Senate added a new section 205 to the bill that I feel—and most of the Members, if not all, of the conferees on the part of the House—felt that this amendment would leave us in a most untenable position with respect to the definiteness of rates of duty involving automobiles and parts for new cars if we left it in.

Senate Amendment No. 2 added a new section 205 to the bill that provided for suspension by the President under certain circumstances of the duty-removal proclamation made under section 201 of the bill whenever he finds that any manufacturer has undertaken, by reason of governmental action, to increase the Canadian-value-added after August 31, 1968, of motor vehicles and original-equipment parts produced by such manufacturer in Canada. It will be recalled, Mr. Speaker, that Canadian subsidiaries of United States automobile manufacturers undertook in certain letters to the Canadian Government to increase the Canadian-value-added of their Canadian production by 60 percent of their increased sales after 1964 plus \$241 million additional to be achieved by the end of model year 1968.

Under the conference agreement your conferees recommend that the House recede with an amendment substituting a new section 205 for that proposed by the Senate, under which the President would report to the Congress whenever he finds that any manufacturer has entered into any new or additional undertaking, by reason of governmental action, for increasing the Canadian-value-added of motor vehicles and original-equipment parts produced by such manufacturer in Canada after August 31, 1968. The substitute version of section 205 also requires a special report by the President to the Senate and the House on the comprehensive review of the progress made toward achieving the objectives of the agreement which is called for by article IV(c) of the agreement. Furthermore, reports under this section are to include recommendations for such further steps, including legislative action, as may be necessary for the achieve-

ment of the purposes of the agreement and the act.

Senate amendments Nos. 3 to 9 inclusive, are purely technical amendments required to conform the bill to changes in the Tariff Schedules of the United States recently made by Congress in H.R. 7969—the Tariff Schedules Technical Amendments Act of 1965. With respect to these amendments, your conferees recommend that the House recede.

Senate amendment No. 10 amends section 502 of the bill. Section 502 requires an annual report from the President on the implementation of the act and specifies certain information to be included in the report. The Senate amendment added additional items of information which the President is to include in these reports and your conferees agreed to recommend that the House recede with respect to Senate amendment No. 10 with an amendment that certain of the information specifically called for by the Senate amendment shall be included in the reports only to the extent practicable.

Senate amendment No. 11 adds a new section 503 to the bill providing that nothing contained in the bill shall be construed to affect or modify the provisions of the Antidumping Act, 1921 or of the antitrust laws of the United States. Your conferees consider that this was implicit in the House version of the bill and recommends that the House recede with respect to this amendment.

Senate amendment No. 12 adds a new title VI to the bill which has no relationship to the subject matter of the bill as passed by the House. The amendment eliminates the \$10,000 ceiling on appropriations for the Joint Committee on Reduction of Nonessential Federal Expenditures and authorizes the appropriation of such sums as may be necessary to carry out the purposes for which the joint committee was created. Your conferees recommend that the House recede with respect to this amendment.

Your committee recommends that the conference report be accepted by the House. I believe it is the best your managers could have obtained in this conference. Certainly I would suggest that it merits your endorsement and approval.

Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. CURTIS].

Mr. CURTIS. Mr. Speaker, I thank the gentleman from Arkansas.

Again I am happy to confirm what the gentleman has explained as the contents of this conference report. In my judgment, it is a considerable improvement over the bill as originally passed.

I believe those who were opposed to the bill when it appeared in the House can take some satisfaction from the fact that there has been an improvement.

To recapitulate, I would say that essentially what has happened is that the President entered into this agreement with the Canadian Government and then had to come to the Congress in order to implement it.

My own judgment was that this was a very poor agreement, that created considerable difficulties in our international trade negotiations going on at Geneva in the Kennedy round; that some of the

basic principles which the United States had been adhering to in our trade policy were being neglected, to put it mildly; that we were confronted almost with a fait accompli; that the relations of our Government and our society with our friends across the border in Canada were most important to us; and that probably the damage by not approving or trying to implement what the President had done would have been greater. Accordingly, I supported the bill when it came on the floor, at the same time in effect making a speech against it, pointing out some of the dangers.

This was done with a reason, in the hope that by expressing this point of view there would be a warning with respect to future actions of this nature, so that we would not be confronted with these kinds of things in the future.

Certainly, during the hearings of the Ways and Means Committee, when we made public the agreements which had been entered into by the Canadian Government with the four automobile companies, a much better atmosphere was created. After the debate on the floor of the House, this again was put in a better light. There was a very healthy debate on the floor of the other body.

Members will notice that most of the Senate amendments which have been accepted by your conferees are further directed toward making public that which is going on under the agreement.

With the further development of the Canadian-American auto treaty, the President will be reporting these developments. Thus we will be informed. If future agreements of this nature are entered into—and there is a reason why they should be, in order to follow our commitments under the most-favored-nation clause—the President will be required to notify the Congress, so that we will be aware of it. In turn, since we are the Representatives of the people, the people of the country and the various interests in our country will be aware of these agreements before they become a fait accompli and we are put in the somewhat embarrassing position of having to go along rather than to create an embarrassment with a friendly nation.

So I think there is considerable improvement in the bill. This exercise has not been in vain. I am hopeful that the administration will be more careful in the manner in which these international agreements are entered into and that the Congress will be brought in, as we must be. We have to implement these agreements, and we will be brought in at an early stage so that we will be able to express our judgments on them.

The SPEAKER. The time of the gentleman has expired.

Mr. MILLS. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. CURTIS. One final thing before I yield for questions. This is a minor point, but I want to emphasize it again. Amendment No. 12 has no place in this conference report. It is a matter that does not involve taxes, so even though it is a nongermane amendment added by our friends in the Senate, it does not violate the Constitution. It is something that obviously we would have

agreed to, I am certain, if it had come under its own power. I do hope in the future we will not have these bills, which are complicated enough, containing such extraneous matter. These resolutions for financing should be given to the Joint Committee on Reduction of Non-essential Federal Expenditures and should come through on their own bottom. I only point this out so that we possibly will not have it occur in the future.

Mr. MONAGAN. Mr. Speaker, will the gentleman yield?

Mr. CURTIS. I yield to the gentleman from Connecticut.

Mr. MONAGAN. I thank the gentleman for yielding. I think the point you are making is a very valid and legitimate one. I was one of those who did not support this legislation when it passed the House because of the concern that some of the parts producers felt about the effect this would have on them in the increased rate of production in Canada. I was interested in what the gentleman said about improvement. I was looking at page 4 of the report which does mention the fact, and of course, this applies only to future negotiations.

Mr. CURTIS. That is correct. However, let me call the attention of the gentleman to the fact that the present bill is improved because of the reporting process required on an annual basis with details of the working of the agreement so that if our parts companies are affected, at least Congress will have that knowledge. And we may take action based on this knowledge.

Mr. MONAGAN. Does this do any more than as the report says: The Senate expressed the hope that the President would seek the advice and give reasonable notice and seek information.

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. CURTIS. Yes. I yield to the chairman of the committee.

Mr. MILLS. I think what my friend is referring to is the expressed hope of the conferees even though we are taking out, by a termination date at least, section 202, with respect to any future agreements the President may contemplate or enter into, he will follow the procedures we outline on page 4 of the conference report.

Mr. CURTIS. Could I also add this: We were faced with a very difficult situation in the conference in which the House had proceeded on one theory of trying to implement this and the Senate on another theory. There was no basis on which we could effect, within the four corners of the conference, compromise language. We were seeking for it and would like to have had it, but we could not do it. That is the reason why we followed this course, but I think by doing it we are accomplishing what both the House and the Senate had in mind; namely, that the President on future agreements of this nature would have this consultation ahead of time. I am satisfied that the executive branch of the Government will probably pay attention to it. I am glad that there were Members here who opposed this originally, just as in the Senate, represent-

ing the proper interests in their districts. If you all had not spoken up, then who would have? I was in the position of trying to represent the House in the nature of being a member of the committee taking the overall look at the bill, but it was a healthy thing that there were voices that spoke up, I will say to the gentleman from Connecticut.

Mr. McCCLORY. Mr. Speaker, will the gentleman yield?

Mr. CURTIS. I yield to the gentleman from Illinois.

Mr. McCCLORY. I wanted to ask the gentleman from Arkansas two questions, if I might, about the conference committee report. If the gentleman will recall, I was particularly interested in the subject of replacement parts for automobiles.

The first question I wanted to ask is whether or not the gentleman thought that negotiating with respect to replacement parts was facilitated or made more difficult as a result of the new language which will be in the bill under the conference report.

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. CURTIS. I yield to the gentleman.

Mr. MILLS. Let us be certain that we understand exactly what is involved here in this point. Remember that we were not authorizing the President to enter into an agreement. The President has that authority under the Constitution. He has to come back to the Congress if it is an agreement or to the Senate if it is a treaty. He has that power.

What we were doing in section 202 was spelling out the conditions for the exercise of authority granted him that he did not otherwise have, that is, to proclaim changes in tariff treatment of automotive products. That section, 202, is out by the termination date. The whole of it is out.

What we were trying to do in the report was to emphasize our thought that he should, before entering into negotiations for a new agreement, follow the prenegotiation procedures that we had in section 202 initially. We were trying to retain it here as a suggestion from the conferees by including it in the report.

Mr. CURTIS. Mr. Speaker, if I might clarify this for just a moment. This is the basic question. Why does the President have to come to the Congress to implement this treaty, and also the International Coffee Agreement and others? It is because tariff laws are involved, and, of course, it is in the purview of the Congress and the House of Representatives to initiate such measures. That is why the Executive really does have to come here.

We could have given him less authority relating to the tariff schedules, but we do not have that authority as far as treaties are concerned.

Mr. McCCLORY. Mr. Speaker, will the gentleman yield further?

Mr. CURTIS. I yield.

Mr. McCCLORY. I would judge that we are in about the same position with respect to replacement parts now as we were before. There is going to have to

be something negotiated and if it is negotiated it is going to have to come to the Congress.

Mr. MILLS. Mr. Speaker, will the gentleman yield to me?

Mr. CURTIS. I yield.

Mr. MILLS. The gentleman from Illinois is correct. But bear in mind that under the Senate amendment to the bill the situation is approximately the same now under the conference agreement as it would have been had we accepted the Senate amendment, because affirmative action of the Congress would have been required.

Mr. MCCLORY. Mr. Speaker, if the gentleman will yield further, I wanted to ask another question with regard to the Antidumping Act. Do I understand as a result of this escapement—are we recognizing that if automobiles, finished automobiles, or automobile parts intended for new equipment are manufactured and sold in Canada that they cannot be sold in Canada at a higher price than they are sold for in the United States? The reason I ask that question is that I feel that the sale in the United States would be a violation of the act. I also happen to know—at least I have heard—that some sales have been made of vehicles at a higher price in Canada and lower in the United States, which has caused considerable resentment in Canada.

As I see it, the objective of this agreement—and I assume that it does have a valid objective—is to promote good relations between the United States and Canada, greater trade and better understanding. But we would not want a violation of the antidumping law or the differential in price which would create ill feeling between the two countries.

Mr. CURTIS. Mr. Speaker, let me say to the gentleman, that to attempt to oversimplify the Antidumping Act is a great danger. If, as the gentleman says, transactions are effected that violate the Antidumping Act then, of course, nothing in this act affects or closes the antidumping procedures, the rights that exist under antidumping legislation.

But I do warn the gentleman that there is a great deal more to the technicalities in the antidumping legislation than just a differential in price, and there may or may not be a case under the antidumping law. But, the rights are not impaired whatsoever as a result of this action.

Mr. MILLS. Mr. Speaker, will the gentleman yield to me?

Mr. CURTIS. I yield to the gentleman from Arkansas.

Mr. MILLS. What my friend from Missouri I think is saying, if I recall correctly his statement, is that merely a differential in price is not all it takes. If the differential in price between home and abroad results in injury to industries in the United States, then the antidumping law applies to the situation just as it would apply to any other situation.

Mr. CURTIS. Plus the fact that there can be legitimate differentials in prices and then we get into further complications.

The SPEAKER pro tempore (Mr. ALBERT). The time of the gentleman from Missouri has again expired.

Mr. MILLS. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. STALBAUM. Mr. Speaker, will the gentleman yield?

Mr. CURTIS. I yield to the gentleman from Wisconsin.

Mr. STALBAUM. The gentleman from Missouri [Mr. CURTIS] commented that the present section is the result of a fait accompli. Am I correct in my interpretation of the conference report that in the future, excepting the fact that we have got this fait accompli at this time, these matters will become more public sooner? I refer particularly to page 4 and the items relating to the actions of the President and suggestions to him that he seek advice, give public notice, and obtain information from other sources. Am I right in this assumption that this is specifically to avoid getting so far into the thing as has happened this time?

Mr. CURTIS. Exactly; but I must warn the gentleman that because of technical problems which we had in conference we are not saying, "No, this is no longer true."

Mr. STALBAUM. I do not think it goes that far, because we only express a hope in the paragraph or a request or desire of the congressional intent. This is what I am trying to strengthen right here.

Mr. CURTIS. It is a little more than that.

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. CURTIS. I yield to the gentleman from Arkansas.

Mr. MILLS. As my friend from Wisconsin knows, we have to be very particular in what we do when we are involved with the constitutional authority of the President of the United States. This was the most we could do under the circumstances, if we were not to have section 202 in effect. This was in lieu of section 202's elimination.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. CURTIS. I yield to the gentleman from Iowa.

Mr. GROSS. Section 205—the new section 205—contains an unusual phrase. At least, it is unusual to me, "to increase the Canadian-value-added of automobiles."

What does this mean? Does this involve their cost of parts?

Mr. CURTIS. Well, yes, it does. The term "value added" is a term that has been used in tariff and in tax law for many years. It essentially means that we will take the raw material—

The SPEAKER pro tempore. The time of the gentleman from Missouri has again expired.

Mr. MILLS. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. CURTIS. It essentially refers to whatever is added to the value of the raw material in the way of labor costs and other inputs—in order to finish the particular material. That is what "added value" refers to.

Mr. GROSS. To increase the Canadian value?

Mr. CURTIS. Well, you could take the parts of an automobile and the cost of putting it together, and then you would have labor cost and the other costs involved in assembling it, which would then be "added value" to those parts.

Mr. GROSS. If the gentleman will yield further, I am glad the lawyers understand what "to increase the Canadian value added" means. But I would think that "added value" would of itself suggest an increase.

Mr. CURTIS. Well, it is added value in its technical sense, and the gentleman from Iowa is perfectly correct. But when we get into these technical things, we do frequently get into doubletalk and we need the help of many laymen to keep us from getting too far out in our semantics.

Mr. GROSS. If the gentleman will yield further, I have one other question on amendment No. 12 which states that "The new title eliminates the \$10,000 ceiling on appropriations for the Joint Committee on Reduction of Nonessential Federal Expenditures."

Can the gentleman give me any indication as to how much more the committee is going to ask for?

Mr. CURTIS. You mean on this non-germane amendment?

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. CURTIS. I yield to the gentleman from Arkansas.

Mr. MILLS. I called attention to the amendment initially when I tried to present what we had done.

Let me call the gentleman's attention also to the fact that the chairman of the Joint Committee on Nonessential Expenditures is a very distinguished, strategically located, influential, powerful Member of the Senate from the great Commonwealth of Virginia. I know the gentleman from Iowa will share the point of view I have that neither of us have to be unduly concerned about any action on the part of the committee under his chairmanship.

Mr. GROSS. I hope the gentleman is correct.

Mr. MILLS. Mr. Speaker, I yield to the gentleman from Indiana [Mr. BRADEMAs].

Mr. BRADEMAs. I want to make one brief observation. It is one of the concerns I expressed in debate in the House on this legislation, that it may represent a move on the part of the United States in the direction of bilateralism as distinguished from multilateralism trends.

Mr. MILLS. I would join my friend from Indiana in the expressed hope that we not see that happen as a result of this action. I believe in the multilateral approach and I would not want it replaced.

Mr. BRADEMAs. I thank the gentleman. I ran into a very distinguished lawyer of this city the other day who told me he had no clients involved in this particular legislation but other clients had admonished him to keep a close eye on the programs under this particular arrangement because if it went through they would like to get in on the act.

Mr. MILLS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore (Mr. ALBERT). The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. MILLS. Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their remarks on the conference report just agreed to and that I may have permission to revise and extend the remarks I made in further explanation of the conference report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

ABACA

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 6852) to authorize the disposal, without regard to the prescribed 6-month waiting period, of approximately 47 million pounds of abaca from the national stockpile, with Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Amend the title so as to read: "An act to authorize the disposal, without regard to the prescribed six-month waiting period, of approximately ninety-seven million pounds of abaca from the national stockpile."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

FOOD AND AGRICULTURE ACT OF 1965

Mr. COOLEY. Mr. Speaker, I call up the conference report on the bill (H.R. 9811) to maintain farm income, to stabilize prices and assure adequate supplies of agricultural commodities, to reduce surpluses, lower Government costs and promote foreign trade, to afford greater economic opportunity in rural areas, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1123)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 9811) to maintain farm income, to stabilize prices and assure adequate supplies of agricultural commodities, to reduce surpluses, lower Government costs and promote foreign trade, to afford greater economic opportunity in rural areas, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That this Act may be cited as the 'Food and Agriculture Act of 1965'."

"TITLE I—DAIRY"

"SEC. 101. The Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, is further amended by striking in subparagraph (B) of subsection 8c(5) all of clause (d) and inserting in lieu thereof a new clause (d) to read as follows:

"(d) a further adjustment, equitably to apportion the total value of the milk purchased by any handler, or by all handlers, among producers and associations of producers, on the basis of their marketings of milk, which may be adjusted to reflect sales of such milk by any handler or by all handlers in any use classification or classifications, during a representative period of time which need not be limited to one year. In the event a producer holding a base allocated under this clause (d) shall reduce his marketings, such reduction shall not adversely affect his history of production and marketing for the determination of future bases. Allocations to producers under this clause (d) may be transferable under an order on such terms and conditions as may be prescribed if the Secretary of Agriculture determines that transferability will be in the best interest of the public, existing producers, and prospective new producers. Any increase in class one base resulting from enlarged or increased consumption and any producer class one bases forfeited or surrendered shall first be made available to new producers and to the alleviation of hardship and inequity among producers. In the case of any producer who during any accounting period delivers a portion of his milk to persons not fully regulated by the order, provision may be made for reducing the allocation of, or payments to be received by, any such producer under this clause (d) to compensate for any marketings of milk to such other persons for such period or periods as necessary to insure equitable participation in marketings among all producers,"

and by adding at the end of said subparagraph (B) the following: 'Notwithstanding the provisions of section 8c(12) and the last sentence of section 8c(19) of this Act, order provisions under (d) above shall not become effective in any marketing order unless separately approved by producers in a referendum in which each individual producer shall have one vote and may be terminated separately whenever the Secretary makes a determination with respect to such provisions as is provided for the termination of an order in subparagraph 8c(16) (B). Disapproval or termination of such order provisions shall not be considered disapproval of the order or of other terms of the order.'

"Sec. 102. Such Act is further amended (a) by adding to subsection 8c(5) the following new paragraph: '(H) Marketing orders applicable to milk and its products may be limited in application to milk used for manufacturing'; and (b) by amending subsection 8c(18) by adding after the words 'marketing area' wherever they occur the words 'or, in the case of orders applying only to manufacturing milk, the production area'."

"Sec. 103. The provisions of this title shall not be effective after December 31, 1969."

"Sec. 104. The legal status of producer handlers of milk under the provisions of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, shall be the same subsequent to the adoption of the amendments made by this title as it was prior thereto."

"TITLE II—WOOL"

"Sec. 201. The National Wool Act of 1954, as amended, is amended, as follows:

"(1) By deleting from section 703 'March 31, 1966' and inserting in lieu thereof 'December 31, 1969'."

"(2) By changing the period at the end of the third sentence of section 703 to a colon and inserting the following: 'Provided further, That the support price for shorn wool for the 1966 and each subsequent marketing year shall be determined by multiplying 62 cents by the ratio of (i) the average of the parity index (the index of prices paid by farmers, including commodities and services, interest, taxes, and farm wage rates, as defined in section 301(a) (1) (C) of the Agricultural Adjustment Act of 1938, as amended) for the three calendar years immediately preceding the calendar year in which such price support is determined and announced to (ii) the average parity index for the three calendar years 1958, 1959, and 1960, and rounding the resulting amount to the nearest full cent.'

"(3) By deleting the fourth sentence of section 703."

"TITLE III—FEED GRAINS"

"Sec. 301. Section 105 of the Agricultural Act of 1949, as amended, is amended by adding the following new subsection (e):

"(e) For the 1966 through 1969 crops of feed grains, the Secretary shall require, as a condition of eligibility for price support on the crop of any feed grain which is included in any acreage diversion program formulated under section 16(1) of the Soil Conservation and Domestic Allotment Act, as amended, that the producer shall participate in the diversion program to the extent prescribed by the Secretary, and, if no diversion program is in effect for any crop, he may require as a condition of eligibility for price support on such crop of feed grains that the producer shall not exceed his feed grain base: *Provided*, That the acreage on any farm which is diverted from the production of feed grains pursuant to a contract hereafter entered into under the Cropland Adjustment Program shall be deemed to be acreage diverted from the production of feed grains for purposes of meeting the foregoing requirements for eligibility for price support: *Provided further*, That the Secretary may provide that no producer of malting barley shall be required as a condition of eligibility for price support for barley to participate in the acreage diversion program for feed grains if such producer has previously produced a malting variety of barley, plants barley only of an acceptable malting variety for harvest, does not knowingly devote an acreage on the farm to barley in excess of 110 per centum of the average acreage devoted on the farm to barley in 1959 and 1960, does not knowingly devote an acreage on the farm to corn and grain sorghums in excess of the acreage devoted on the farm

to corn and grain sorghums in 1959 and 1960, and does not devote any acreage devoted to the production of oats and rye in 1959 and 1960 to the production of wheat pursuant to the provisions of section 328 of the Food and Agriculture Act of 1962. Such portion of the support price for any feed grain included in the acreage diversion program as the Secretary determines desirable to assure that the benefits of the price-support and diversion programs inure primarily to those producers who cooperate in reducing their acreages of feed grains shall be made available to producers through payments-in-kind. Such payments-in-kind shall be made available on the maximum permitted acreage, or the Secretary may make the same total amount available on a smaller acreage or acreages at a higher rate or rates. The number of bushels of such feed grain on which such payments-in-kind shall be made shall be determined by multiplying that part of the actual acreage of such feed grain planted on the farm for harvest on which the Secretary makes such payments available by the farm projected yield per acre: *Provided*, That for purposes of such payments, the Secretary may permit producers of feed grains to have acreage devoted to soybeans considered as devoted to the production of feed grains to such extent and subject to such terms and conditions as the Secretary determines will not impair the effective operation of the price support program: *Provided further*, That for purposes of such payments, producers on any farm who have planted not less than 90 per centum of the acreage of feed grains permitted to be planted shall be deemed to have planted the entire acreage permitted. Notwithstanding the provisions of subsection (a), that portion of the support price which is made available through loans and purchases for the 1966 through 1969 crops may be reduced below the loan level for the 1965 crop by such amounts and in such stages as may be necessary to promote increased participation in the feed grain program, taking into account increases in yields, but so as not to disrupt the feed grain and livestock economy: *Provided*, That this authority shall not be construed to modify or affect the Secretary's discretion to maintain or increase total price support levels to cooperators. An acreage on the farm which the Secretary finds was not planted to feed grains because of drought, flood, or other natural disaster shall be deemed to be an actual acreage of feed grains planted for harvest for purposes of such payments provided such acreage is not subsequently planted to any other income-producing crop during such year. The Secretary may make not to exceed 50 per centum of any payments hereunder to producers in advance of determination of performance. Payments-in-kind shall be made through the issuance of negotiable certificates which the Commodity Credit Corporation shall redeem for feed grains (such feed grains to be valued by the Secretary at not less than the current support price made available through loans and purchases, plus reasonable carrying charges) in accordance with regulations prescribed by the Secretary and notwithstanding any other provision of law, the Commodity Credit Corporation shall, in accordance with regulations prescribed by the Secretary, assist the producer in the marketing of such certificates. The Secretary shall provide for the sharing of such certificates among producers on the farm on the basis of their respective shares in the feed grain crop produced on the farm, or the proceeds therefrom, except that in any case in which the Secretary determines that such basis would not be fair and equitable, the Secretary shall provide for such sharing on such other basis as he may determine to be fair and equitable.

If the operator of the farm elects to participate in the acreage diversion program, price support for feed grains included in the program shall be made available to the producers on such farm only if such producers divert from the production of such feed grains, in accordance with the provisions of such program, an acreage on the farm equal to the number of acres which such operator agrees to divert, and the agreement shall so provide. In any case in which the failure of a producer to comply fully with the terms and conditions of the programs formulated under this subsection (e) and subsection (d) of this section preclude the making of payments-in-kind, the Secretary may, nevertheless, make such payments-in-kind in such amounts as he determines to be equitable in relation to the seriousness of the default.

"Sec. 302. Section 16 of the Soil Conservation and Domestic Allotment Act, as amended, is amended by adding the following new subsection:

"(1) Notwithstanding any other provision of law—

"(1) For the 1966 through 1969 crops of feed grains, if the Secretary determines that the total supply of feed grains will, in the absence of an acreage diversion program, likely be excessive, taking into account the need for an adequate carryover to maintain reasonable and stable supplies and prices of feed grains and to meet any national emergency, he may formulate and carry out an acreage diversion program for feed grains, without regard to provisions which would be applicable to the regular agricultural conservation program, under which, subject to such terms and conditions as the Secretary determines, conservation payments shall be made to producers who divert acreage from the production of feed grains to an approved conservation use and increase their average acreage of cropland devoted in 1959 and 1960 to designated soil-conserving crops or practices including summer fallow and idle land by an equal amount. Payments shall be made at such rate or rates as the Secretary determines will provide producers with a fair and reasonable return for the acreage diverted, but not in excess of 50 per centum of the estimated basic county support rate, including the lowest rate of payment-in-kind, on the normal production of the acreage diverted from the commodity on the farm based on the farm projected yield per acre. Notwithstanding the foregoing provisions, the Secretary may permit all or any part of such diverted acreage to be devoted to the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, and flaxseed, if he determines that such production of the commodity is needed to provide an adequate supply, is not likely to increase the cost of the price support program, and will not adversely affect farm income subject to the condition that payment with respect to diverted acreage devoted to any such crop shall be at a rate determined by the Secretary to be fair and reasonable, taking into consideration the use of such acreage for the production of such crops, but in no event shall the payment exceed one-half the rate which otherwise would be applicable if such acreage were devoted to conservation uses. The term "feed grains" means corn, grain sorghums, and, if designated by the Secretary, barley, and if for any crop the producer so requests for purposes of having acreage devoted to the production of wheat considered as devoted to the production of feed grains, pursuant to the provisions of section 328 of the Food and Agriculture Act of 1962, the term "feed grains" shall include oats and rye and barley if not designated by the Secretary as provided above: *Provided*, That acreages of corn, grain sorghums, and, if

designated by the Secretary, barley, shall not be planted in lieu of acreages of oats and rye and barley if not designated by the Secretary as provided above: *Provided further*, That the acreage devoted to the production of wheat shall not be considered as an acreage of feed grains for purposes of establishing the feed grain base acreage for the farm for subsequent crops. Such feed grain diversion program shall require the producer to take such measures as the Secretary may deem appropriate to keep such diverted acreage free from erosion, insects, weeds, and rodents. The acreage eligible for participation in the program shall be such acreage (not to exceed 50 per centum of the average acreage on the farm devoted to feed grains in the crop years 1959 and 1960 or twenty-five acres, whichever is greater) as the Secretary determines necessary to achieve the acreage reduction goal for the crop. Payments shall be made in kind. The acreage of wheat produced on the farm during the crop years 1959, 1960, and 1961, pursuant to the exemption provided in section 335(f) of the Agricultural Adjustment Act of 1938, as amended, prior to its repeal by the Food and Agriculture Act of 1962, in excess of the small farm base acreage for wheat established under section 335 of the Agricultural Adjustment Act of 1938, as amended, may be taken into consideration in establishing the feed grain base acreage for the farm. The Secretary may make such adjustments in acreage as he determines necessary to correct for abnormal factors affecting production, and to give due consideration to tillable acreage, crop-rotation practices, types of soil, soil and water conservation measures, and topography. Notwithstanding any other provision of this subsection (1)(1), the Secretary may, upon unanimous request of the State committee established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act, as amended, adjust the feed grain bases for farms within any State or county to the extent he determines such adjustment to be necessary in order to establish fair and equitable feed grain bases for farms within such State or county. The Secretary may make not to exceed 50 per centum of any payments to producers in advance of determination of performance. Notwithstanding any other provision of this subsection, barley shall not be included in the program for a producer of malting barley exempted pursuant to section 105(e) of the Agricultural Act of 1949, who participates only with respect to corn and grain sorghums and does not knowingly devote an acreage on the farm to barley in excess of 110 per centum of the average acreage devoted on the farm to barley in 1959 and 1960.

"(2) Notwithstanding any other provision of this subsection, not to exceed 1 per centum of the estimated total feed grain bases for all farms in a State for any year may be reserved from the feed grain bases established for farms in the State for apportionment to farms on which there were no acreages devoted to feed grains in the crop years 1959 and 1960 on the basis of the following factors: Suitability of the land for the production of feed grains, the past experience of the farm operator in the production of feed grains, the extent to which the farm operator is dependent on income from farming for his livelihood, the production of feed grains on other farms owned, operated, or controlled by the farm operator, and such other factors as the Secretary determines should be considered for the purpose of establishing fair and equitable feed grain bases. An acreage equal to the feed grain base so established for each farm shall be deemed to have been devoted to feed grains on the farm in each of the crop years 1959 and 1960 for purposes of this subsection

except that producers on such farm shall not be eligible for conservation payments for the first year for which the feed grain base is established.

"(3) There are hereby authorized to be appropriated such amounts as may be necessary to enable the Secretary to carry out this section 16(1).

"(4) The Secretary shall provide by regulations for the sharing of payments under this subsection among producers on the farm on a fair and equitable basis and in keeping with existing contracts.

"(5) Payments in kind shall be made through the issuance of negotiable certificates which the Commodity Credit Corporation shall redeem for feed grains in accordance with regulations prescribed by the Secretary and, notwithstanding any other provision of law, the Commodity Credit Corporation shall, in accordance with regulations prescribed by the Secretary, assist the producer in the marketing of such certificates. Feed grains with which Commodity Credit Corporation redeems certificates pursuant to this paragraph shall be valued at not less than the current support price made available through loans and purchases, plus reasonable carrying charges.

"(6) Notwithstanding any other provision of law, the Secretary may, by mutual agreement with the producer, terminate or modify any agreement previously entered into pursuant to this subsection if he determines such action necessary because of an emergency created by drought or other disaster, or in order to prevent or alleviate a shortage in the supply of feed grains."

"Sec. 303. Section 326 of the Food and Agriculture Act of 1962, as amended, is amended by deleting the language beginning with 'the requirements' and ending with 'Agricultural Act of 1961, and' and substituting therefor 'the requirements of any program under which price support is extended or payments are made to farmers, and price support may be extended or'.

"TITLE IV—COTTON

"Sec. 401. The Agricultural Adjustment Act of 1938, as amended, is amended as follows:

"(1) Section 348 of the Act is amended by adding the following new sentences at the end thereof: 'The Secretary may extend the period for performance of obligations incurred in connection with payments made for the period ending July 31, 1966, or may make payments on raw cotton in inventory on July 31, 1966, at the rate in effect on such date. No payments shall be made hereunder with respect to 1966 crop cotton.'

"(2) Section 346 of the Act is amended by adding at the end thereof a new subsection as follows:

"(e) Notwithstanding any other provision of this Act, for the 1966, 1967, 1968, and 1969 crops of upland cotton, if the farm operator elects to forgo price support for any such crop of cotton by applying to the county committee of the county in which the farm is located for additional acreage under this subsection, he may plant an acreage not in excess of the farm acreage allotment established under section 344 plus the acreage apportioned to the farm from the national export market acreage reserve, and all cotton of such crop produced on the farm may be marketed for export free of any penalty under this section: *Provided*, That the foregoing shall be applicable only to farms which had upland cotton allotments for 1965 and are operated by the same operator as in 1965 or by his heir.

"For the 1966 crop the national export market acreage reserve shall be 250,000 acres. For each subsequent crop—

If the carryover at the end of the marketing year for the preceding crop is estimated to be less than the carryover at the beginning of such marketing year by—

At least 1,000,000 bales----	250,000 acres.
At least 750,000 bales, but not as much as 1,000,000 bales.	187,500 acres.
At least 500,000 bales, but not as much as 750,000 bales.	125,000 acres.
At least 250,000 bales, but not as much as 500,000 bales.	62,500 acres.
Less than 250,000 bales----	None.

The national export market acreage reserve shall be—

"The national export market acreage reserve shall be apportioned to farms by the Secretary on the basis of the applications therefor. No application shall be accepted for a greater acreage than is available on the farm for the production of upland cotton. After apportionments are thus made to farms, the Secretary shall provide farm operators a reasonable time in which to cancel their applications (and agreements to forgo price support) and surrender to the Secretary through the county committee the export market acreage assigned to the farm. Acreage so surrendered shall be available for reassignment by the Secretary to other eligible farms to which export market acreage has been apportioned on the basis of the applications remaining outstanding. The operator of any farm who elects to forgo price support for any such crop under this subsection shall not be eligible for price support on cotton of such crop produced on any other farm in which he has a controlling or substantial interest as determined by the Secretary. Acreage planted to cotton in excess of the farm acreage allotment established under section 344 shall not be taken into account in establishing future State, county, and farm acreage allotments. The operator of any farm to which export market acreage is apportioned, or the purchasers of cotton produced on such farm, shall, under regulations issued by the Secretary, furnish a bond or other undertaking prescribed by the Secretary providing for the exportation, without benefit of any Government cotton export subsidy and within such time as the Secretary may specify, of all cotton produced on such farm for such year. The bond or other undertaking given pursuant to this subsection shall provide that, upon failure to comply with the terms and conditions thereof, the person furnishing such bond or other undertaking shall be liable for liquidated damages in an amount which the Secretary determines and specifies in such undertaking will approximate the amount payable on excess cotton under subsection (a). The Secretary may, in lieu of the furnishing of a bond or other undertaking, provide for the payment of an amount equal to that which would be payable as liquidated damages under such bond or other undertaking. If such bond or other undertaking is not furnished, or if payment in lieu thereof is not made as provided herein, at such time and in the manner required by regulations of the Secretary, or if the acreage planted to cotton on the farm exceeds the sum of the farm acreage allotment established under section 344 and the acreage apportioned to the farm from the national export market acreage reserve, the acreage planted to cotton in excess of the farm acreage allotment established under section 344 shall be regarded as excess acreage for purposes of this section and section 345. Amounts collected by the Secretary under this subsection shall be remitted to the Commodity Credit Corporation.

"(3) Section 350 of the Act is amended, effective with the 1966 crop, to read as follows:

"Sec. 350. In order to afford producers an opportunity to participate in a program of reduced acreage and higher price support, as provided in section 103(d) of the Agricultural Act of 1949, as amended, the Secretary shall determine a national domestic allotment for the 1966, 1967, 1968, and 1969 crops of upland cotton equal to the estimated domestic consumption of upland cotton (standard bales of four hundred and eighty pounds net weight) for the marketing year beginning in the year in which the crop is to be produced. The Secretary shall determine a farm domestic acreage allotment percentage for each such year by dividing (1) the national domestic allotment (in net weight pounds) by (2) the total for all States of the product of the State acreage allotment and the projected State yield. The farm domestic acreage allotment shall be established by multiplying the farm acreage allotment established under section 344 by the farm domestic acreage allotment percentage: *Provided*, That no farm domestic acreage allotment shall be less than 65 per centum of such farm acreage allotment. Such national domestic allotment shall be determined not later than October 15 of the calendar year preceding the year in which the crop is to be produced; except that in the case of the 1966 crop, such determination shall be made within 15 days after enactment of the Food and Agriculture Act of 1965."

"Sec. 402. (a) Section 103 of the Agricultural Act of 1949, as amended, is amended by adding the following new subsection at the end thereof:

"(d) (1) Notwithstanding any other provision of this Act, if producers have not disapproved marketing quotas, price support and diversion payments shall be made available for the 1966, 1967, 1968, and 1969 crops of upland cotton as provided in this subsection.

"(2) Price support for each such crop of upland cotton shall be made available to cooperators through loans at such level, not exceeding a level which will reflect for Middling one-inch upland cotton at average location in the United States 90 per centum of the estimated average world market price for Middling one-inch upland cotton for the marketing year for such crop, as the Secretary determines will provide orderly marketing of cotton during the harvest season and will retain an adequate share of the world market for cotton produced in the United States taking into consideration the factors specified in section 401(b) of this Act: *Provided*, That the national average loan rate for the 1966 crop shall reflect 21 cents per pound for Middling one-inch upland cotton.

"(3) The Secretary also shall provide additional price support for each such crop through payments in cash or in kind to cooperators at a rate not less than 9 cents per pound: *Provided*, That the rate shall be such that the amount obtained by—

"(i) multiplying the rate by the farm domestic acreage allotment percentage, and

"(ii) dividing the product thus obtained by the cooperator percentage established under section 408(b), and

"(iii) adding the result thus obtained to the national average loan rate shall not be less than 65 per centum or more than 90 per centum of the parity price for cotton as of the month in which the payment rate provided for by this paragraph is announced. Such payments shall be made on the quantity of cotton determined by multiplying the projected farm yield by the acreage planted to cotton within the farm domestic acreage allotment: *Provided*, That any such farm planting not less than 90 per centum of such domestic acreage allotment shall be deemed to have planted the entire amount of such

allotment. An acreage on a farm in any such year which the Secretary finds was not planted to cotton because of drought, flood, or other natural disaster shall be deemed to be planted to cotton for purposes of payments under this subsection if such acreage is not subsequently devoted to any other income-producing crop in such year.

"(4) The Secretary shall make diversion payments in cash or in kind in addition to the price support payments authorized in paragraph (3) to cooperators who reduce their cotton acreage by diverting a portion of their cotton acreage allotment from the production of cotton to approved conservation practices to the extent prescribed by the Secretary: *Provided*, That no reduction below the domestic acreage allotments established under section 350 of the Agricultural Adjustment Act of 1938, as amended, shall be prescribed: *Provided further*, That payment under this paragraph shall be made available for diverting to conserving uses that part of the acreage allotment which must be diverted from cotton in order that the producer may qualify as a cooperator. The rate of payment for acreage required to be diverted in order to qualify as a cooperator shall not be less than 25 per centum of the parity price for upland cotton as of the month in which such rate is announced. The rate of payment for additional acreage diverted shall be such rate as the Secretary determines to be fair and reasonable, but shall not exceed 40 per centum of such parity price. Payment at each applicable rate shall be made on the quantity of cotton determined by multiplying the acreage diverted from the production of cotton at such rate by the projected farm yield. In addition to the foregoing payment, if any, payment at the rate applicable for acreage required to be diverted to qualify as a cooperator shall be made to producers on small farms as defined in section 408(b) who do not exceed their farm acreage allotments on a quantity of cotton determined by multiplying an acreage equal to 35 per centum of such farm acreage allotment by the projected farm yield.

"(5) The Secretary may make not to exceed 50 per centum of the payments under this subsection to producers in advance of determination of performance and the balance of such payments shall be made at such time as the Secretary may prescribe.

"(6) Where the farm operator elects to participate in the diversion program authorized in this subsection and no acreage is planted to cotton on the farm, diversion payments shall be made at the rate established under paragraph (4) for acreage required to be diverted to qualify as a cooperator on the quantity of cotton determined by multiplying that part of the farm acreage allotment required to be diverted to qualify as a cooperator by the projected farm yield, and the remainder of such allotment may be released under the provisions of section 344(m)(2) of the Agricultural Adjustment Act of 1938, as amended. The acreage on which payment is made under this paragraph shall be regarded as planted to cotton for purposes of establishing future State, county, and farm acreage allotments, and farm bases.

"(7) Payments in kind under this subsection shall be made through the issuance of certificates which the Commodity Credit Corporation shall redeem for cotton under regulations issued by the Secretary at a value per pound equal to not less than the current loan rate therefor. The Corporation may, under regulations prescribed by the Secretary, assist the producers in the marketing of such certificates at such times and in such manner as the Secretary determines will best effectuate the purposes of the program authorized by this subsection.

"(8) Payments under this subsection shall be conditioned on the farm having an acreage of approved conservation uses equal

to the sum of (i) the reduction in cotton acreage required to qualify for such payments (hereinafter called "diverted acreage"), and (ii) the average acreage of cropland on the farm devoted to designated soil-conserving crops or practices, including summer fallow and idle land, during a base period prescribed by the Secretary: *Provided*, That the Secretary may permit all or any part of such diverted acreage to be devoted to the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, and flaxseed, if he determines that such production is necessary to provide an adequate supply of such commodities, is not likely to increase the cost of the price support program, and will not adversely affect farm income, subject to the condition that payment under paragraph (4) or (6) with respect to diverted acreage devoted to any such crop shall be at a rate determined by the Secretary to be fair and reasonable, taking into consideration the use of such acreage for the production of such crops, but in no event shall the payment exceed one-half the rate which otherwise would be applicable if such acreage were devoted to conservation uses.

"(9) The acreage regarded as planted to cotton on any farm which qualifies for payment under this subsection except under paragraph (6) shall, for purposes of establishing future State, county, and farm acreage allotments and farm bases, be the farm acreage allotment established under section 344 of the Agricultural Adjustment Act of 1938, as amended, excluding adjustments under subsection (m)(2) thereof.

"(10) The Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers, including provision for sharing diversion payments on a fair and equitable basis under this subsection. The Secretary shall provide for the sharing of price support payments among producers on the farm on the basis of their respective shares in the cotton crop produced on the farm, or the proceeds therefrom, except that in any case in which the Secretary determines that such basis would not be fair and equitable, the Secretary shall provide for such sharing on such other basis as he may determine to be fair and equitable.

"(11) In any case in which the failure of a producer to comply fully with the terms and conditions of the programs formulated under this Act preclude the making of payments under this section, the Secretary may, nevertheless, make such payments in such amounts as he determines to be equitable in relation to the seriousness of the default.

"(12) Notwithstanding any other provision of this Act, if as a result of limitations hereafter enacted with respect to price support under this subsection, the Secretary is unable to make available to all cooperators the full amount of price support to which they would otherwise be entitled under paragraphs (2) and (3) of this subsection for any crop of upland cotton, (A) price support to cooperators shall be made available for such crop (if marketing quotas have not been disapproved) through loans or purchases at such level not less than 65 per centum nor more than 90 per centum of the parity price therefor as the Secretary determines appropriate; (B) in order to keep upland cotton to the maximum extent practicable in the normal channels of trade, such price support may be carried out through the simultaneous purchase of cotton at the support price therefor and resale at a lower price or through loans under which the cotton would be redeemable by payment of a price therefor lower than the amount of the loan thereon; and (C) such resale or redemption price shall be such as the Secretary determines will provide orderly marketing of cotton during the harvest season and will retain an adequate share of the world market for cotton produced in the United States.

"(13) The provisions of subsection 8(g) of the Soil Conservation and Domestic Allotment Act, as amended (relating to assignment of payments), shall also apply to payments under this subsection.

"(14) The Commodity Credit Corporation is authorized to utilize its capital funds and other assets for the purpose of making the payments authorized in this subsection and to pay administrative expenses necessary in carrying out this subsection.

"(b) Section 408(b) of the Agricultural Act of 1949, as amended, is amended, effective only for the 1966 through 1969 crops, by changing the period at the end of the first sentence thereof to a colon and adding the following: *Provided*, That for upland cotton a cooperator shall be a producer on whose farm the acreage planted to such cotton does not exceed the cooperator percentage, which shall be in the case of the 1966 crop, 87.5 per centum of such farm acreage allotment and, in the case of each of the 1967, 1968, and 1969 crops, such percentage, not less than 87.5 or more than 100 per centum, of such farm acreage allotment as the Secretary may specify for such crop, except that in the case of small farms (i.e. farms on which the acreage allotment is 10 acres or less, or on which the projected farm yield times the acreage allotment is 3,600 pounds or less, and the acreage allotment has not been reduced under section 344(m)) the acreage of cotton on the farm shall not be required to be reduced below the farm acreage allotment.

"Sec. 403. Section 301 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding the following new subparagraphs to paragraph (13) of subsection (b):

"(L) 'Projected national, State, and county yields' for any crop of cotton shall be determined on the basis of the yield per harvested acre of such crop in the United States, the State and the county, respectively, during each of the five calendar years immediately preceding the year in which such projected yield for the United States, the State, and the county, respectively, is determined, adjusted for abnormal weather conditions affecting such yield, for trends in yields, and for any significant changes in production practices.

"(M) 'Projected farm yield' for any crop of cotton shall be determined on the basis of the yield per harvested acre of such crop on the farm during each of the three calendar years immediately preceding the year in which such projected farm yield is determined, adjusted for abnormal weather conditions affecting such yield, for trends in yields, and for any significant changes in production practices, but in no event shall such projected farm yield be less than the normal yield for such farm as provided in subparagraph (I) of this paragraph."

"Sec. 404. Section 407 of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof the following: 'Notwithstanding any other provision of this section, for the period August 1, 1966, through July 31, 1970, (1) the Commodity Credit Corporation shall sell upland cotton for unrestricted use at the same prices as it sells cotton for export, in no event, however, at less than 110 per centum of the loan rate, and (2) the Commodity Credit Corporation shall sell or make available for unrestricted use at current market prices in each marketing year a quantity of upland cotton equal to the amount by which the production of upland cotton is less than the estimated requirements for domestic use and for export for such marketing year. The Secretary may make such estimates and adjustments therein at such times as he determines will best effectuate the provisions of part (2) of the foregoing sentence and such quantities of cotton as are required to be sold under such sentence shall be offered for sale in an orderly

manner and so as not to affect market prices unduly."

"Sec. 405. The Agricultural Adjustment Act of 1938, as amended, is amended by adding after section 344 the following new section:

"Sec. 344a. (a) Notwithstanding any other provision of law, the Secretary, if he determines that it will not impair the effective operation of the program involved, (1) may permit the owner and operator of any farm for which a cotton acreage allotment is established to sell or lease all or any part or the right to all or any part of such allotment (excluding that part of the allotment which the Secretary determines was apportioned to the farm from the national acreage reserve) to any other owner or operator of a farm for transfer to such farm; (2) may permit the owner of a farm to transfer all or any part of such allotment to any other farm owned or controlled by him: *Provided*, That the authority granted under this section may be exercised for the calendar years 1966, 1967, 1968, and 1969, but all transfers hereunder shall be for such period of years as the parties thereto may agree.

"(b) Transfers under this section shall be subject to the following conditions: (i) no allotment shall be transferred to a farm in another State or to a person for use in another State; (ii) no farm allotment may be sold or leased for transfer to a farm in another county unless the producers of cotton in the county from which transfer is being made have voted in a referendum within three years of the date of such transfer, by a two-thirds majority of the producers participating in such referendum, to permit the transfer of allotments to farms outside the county, which referendum, insofar as practicable, shall be held in conjunction with the marketing quota referendum for the commodity; (iii) no transfer of an allotment from a farm subject to a mortgage or other lien shall be permitted unless the transfer is agreed to by the lienholder; (iv) no sale of a farm allotment shall be permitted if any sale of cotton allotment to the same farm has been made within the three immediately preceding crop years; (v) the total cotton allotment for any farm to which allotment is transferred by sale or lease shall not exceed the farm acreage allotment (excluding reapportioned acreage) established for such farm for 1965 by more than one hundred acres; (vi) no cotton in excess of the remaining acreage allotment on the farm shall be planted on any farm from which the allotment (or part of an allotment) is sold for a period of five years following such sale, nor shall any cotton in excess of the remaining acreage allotment on the farm be planted on any farm from which the allotment (or part of an allotment) is leased during the period of such lease, and the producer on such farm shall so agree as a condition precedent to the Secretary's approval of any such sale or lease; and (vii) no transfer of allotment shall be effective until a record thereof is filed with the county committee of the county to which such transfer is made and such committee determines that the transfer complies with the provisions of this section. Such record may be filed with such committee only during the period beginning June 1 and ending December 31.

"(c) The transfer of an allotment shall have the effect of transferring also the acreage history, farm base, and marketing quota attributable to such allotment and if the transfer is made prior to the determination of the allotment for any year the transfer shall include the right of the owner or operator to have an allotment determined for the farm for such year: *Provided*, That in the case of a transfer by lease, the amount of the allotment shall be considered for purposes of determining allotments after the expiration of the lease to have been planted on the farm from which such allotment is transferred.

"(d) The land in the farm from which the entire cotton allotment and acreage his-

tory have been transferred shall not be eligible for a new farm cotton allotment during the five years following the year in which such transfer is made.

"(e) The transfer of a portion of a farm allotment which was established under minimum farm allotment provisions for cotton or which operates to bring the farm within the minimum farm allotment provision for cotton shall cause the minimum farm allotment or base to be reduced to an amount equal to the allotment remaining on the farm after such transfer.

"(f) The Secretary shall prescribe regulations for the administration of this section, which shall include provisions for adjusting the size of the allotment transferred if the farm to which the allotment is transferred has a substantially higher yield per acre and such other terms and conditions as he deems necessary.

"(g) If the sale or lease occurs during a period in which the farm is covered by a conservation reserve contract, cropland conversion agreement, cropland adjustment agreement, or other similar land utilization agreement, the rates of payment provided for in the contract or agreement of the farm from which the transfer is made shall be subject to an appropriate adjustment, but no adjustment shall be made in the contract or agreement of the farm to which the allotment is transferred.

"(h) The Secretary shall by regulations authorize the exchange between farms in the same county, or between farms in adjoining counties within a State, of cotton acreage allotment for rice acreage allotment. Any such exchange shall be made on the basis of application filed with the county committee by the owners and operators of the farms, and the transfer of allotment between the farms shall include transfer of the related acreage history for the commodity. The exchange shall be acre for acre or on such other basis as the Secretary determines is fair and reasonable, taking into consideration the comparative productivity of the soil for the farms involved and other relevant factors. No farm from which the entire cotton or rice allotment has been transferred shall be eligible for an allotment of cotton or rice as a new farm within a period of five crop years after the date of such exchange.

"(i) The provisions of this section relating to cotton shall apply only to upland cotton."

"TITLE V—WHEAT

"SEC. 501. Effective beginning with the crop planted for harvest in the calendar year 1966, the Agricultural Adjustment Act of 1938, as amended, is amended as follows:

"(1) Section 332 is amended by changing item (iv) in subsection (b) to read: 'will be utilized during such marketing year in the United States as livestock (including poultry) feed, excluding the estimated quantity of wheat which will be utilized for such purpose as a result of the substitution of wheat for feed grains under section 328 of the Food and Agriculture Act of 1962' and by adding the following new subsection:

"(d) Notwithstanding any other provision of this Act, the Secretary shall not proclaim a national marketing quota for the crops of wheat planted for harvest in the calendar years 1966 through 1969, and farm marketing quotas shall not be in effect for such crops of wheat."

"(2) Section 333 is amended to read as follows: 'The Secretary shall proclaim a national acreage allotment for each crop of wheat. The amount of the national acreage allotment for any crop of wheat shall be the number of acres which the Secretary determines on the basis of the projected national yield and expected underplantings (acreage other than that not harvested because of program incentives) of farm acreage allotments will produce an amount of wheat equal to the national marketing quota for

wheat for the marketing year for such crop, or if a national marketing quota was not proclaimed, the quota which would have been determined if one had been proclaimed.'

"(3) Subsection (a) of section 334 is amended to read as follows:

"(a) The national allotment for wheat, less a reserve of not to exceed 1 per centum thereof for apportionment as provided in this subsection and less the special acreage reserve provided for in this subsection, shall be apportioned by the Secretary among the States on the basis of the preceding year's allotment for each such State, including all amounts allotted to the State and including for 1967 the increased acreage in the State allotted for 1966 under section 335, adjusted to the extent deemed necessary by the Secretary to establish a fair and equitable apportionment base for each State, taking into consideration established crop rotation practices, estimated decrease in farm allotments because of loss of history, and other relevant factors. The reserve acreage set aside herein for apportionment by the Secretary shall be used to make allotments to counties in addition to the county allotments made under subsection (b) of this section, on the basis of the relative needs of counties for additional allotments because of reclamation and other new areas coming into production of wheat. There also shall be made available a special acreage reserve of not in excess of one million acres as determined by the Secretary to be desirable for the purposes hereof which shall be in addition to the national acreage reserve provided for in this subsection. Such special acreage reserve shall be made available to the States to make additional allotments to counties on the basis of the relative needs of counties, as determined by the Secretary, for additional allotments to make adjustments in the allotments on old wheat farms (that is, farms on which wheat has been seeded or regarded as seeded to one or more of the three crops immediately preceding the crop for which the allotment is established) on which the ratio of wheat acreage allotment to cropland on the farm is less than one-half the average ratio of wheat acreage allotment to cropland on old wheat farms in the county. Such adjustments shall not provide an allotment for any farm which would result in an allotment-cropland ratio for the farm in excess of one-half of such county average ratio and the total of such adjustments in any county shall not exceed the acreage made available therefor in the county. Such apportionment from the special acreage reserve shall be made only to counties where wheat is a major income-producing crop, only to farms on which there is limited opportunity for the production of an alternative income-producing crop, and only if an efficient farming operation on the farm requires the allotment of additional acreage from the special acreage reserve. For the purposes of making adjustments hereunder the cropland on the farm shall not include any land developed as cropland subsequent to the 1963 crop year."

"(4) Subsection (b) of section 334 is amended to read as follows:

"(b) The State acreage allotment for wheat, less a reserve of not to exceed 3 per centum thereof for apportionment as provided in subsection (c) of this section, shall be apportioned by the Secretary among the counties in the State, on the basis of the preceding year's wheat allotment in each such county, including for 1967 the increased acreage in the county allotted for 1966 pursuant to section 335, adjusted to the extent deemed necessary by the Secretary in order to establish a fair and equitable apportionment base for each county, taking into consideration established crop rotation practices, estimated decrease in farm allotments because of loss of history, and other relevant factors."

"(5) Subsection (c) of section 334 is amended by adding new paragraphs (3) and (4) to read as follows:

"(3) Notwithstanding the provisions of paragraph (1) of this subsection, the past acreage of wheat for 1967 and any subsequent year shall be the acreage of wheat planted, plus the acreage regarded as planted, for harvest as grain on the farm which is not in excess of the farm acreage allotment.

"(4) Notwithstanding any other provision of this subsection (c), the farm acreage allotment for the 1967 and any subsequent crop of wheat shall be established for each old farm by apportioning the county wheat acreage allotment among farms in the county on which wheat has been planted, or is considered to have been planted, for harvest as grain in any one of the three years immediately preceding the year for which allotments are determined on the basis of past acreage of wheat and the farm acreage allotment for the year immediately preceding the year for which the allotment is being established, adjusted as hereinafter provided. For purposes of this paragraph, the acreage allotment for the immediately preceding year may be adjusted to reflect established crop-rotation practices, may be adjusted downward to reflect a reduction in the tillable acreage on the farm, and may be adjusted upward to reflect such other factors as the Secretary determines should be considered for the purpose of establishing a fair and equitable allotment: *Provided*, That (1) for the purposes of computing the allotment for any year, the acreage allotment for the farm for the immediately preceding year shall be decreased by 7 per centum if for the year immediately preceding the year for which such reduction is made neither a voluntary diversion program nor a voluntary certificate program was in effect and there was noncompliance with the farm acreage allotment for such year; (ii) for purposes of clause (i), any farm on which the entire amount of farm marketing excess is delivered to the Secretary, stored, or adjusted to zero in accordance with applicable regulations to avoid or postpone payment of the penalty when farm marketing quotas are in effect, shall be considered in compliance with the allotment, but if any part of the amount of wheat so stored is later depleted and penalty becomes due by reason of such depletion, the allotment for such farm next computed after determination of such depletion shall be reduced by reducing the allotment for the immediately preceding year by 7 per centum; and (iii) for purposes of clause (i) if the Secretary determines that the reduction in the allotment does not provide fair and equitable treatment to producers on farms following special crop rotation practices, he may modify such reduction in the allotment as he determines to be necessary to provide fair and equitable treatment to such producers."

"(6) Subsection (d) of section 334 is repealed.

"(7) Subsection (g) of section 334 is amended by striking out the language 'except as prescribed in the proviso to the first sentence of subsections (a) and (b), respectively, of this section' in the first sentence.

"(8) Section 335 is amended by adding at the end thereof the following: "This section shall not be applicable to the crops planted for harvest in 1967 and subsequent years."

"(9) Section 339(b) is amended (1) by striking out '1964 and 1965 crops of wheat' and substituting 'crops of wheat planted for harvest in the calendar years 1964 through 1969'; and, (2) by striking out of the third sentence '20 per centum of the farm acreage allotment' and 'fifteen acres' and substituting '50 per centum of the farm acreage allotment' and 'twenty-five acres', respectively.

"(10) Section 339(e) is amended to read as follows: "(e) The Secretary may permit all

or any part of the diverted acreage to be devoted to the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, and flaxseed, if he determines that such production of the commodity is needed to provide an adequate supply, is not likely to increase the cost of the price-support program and will not adversely affect farm income, subject to the condition that payment with respect to diverted acreage devoted to any such crop shall be at a rate determined by the Secretary to be fair and reasonable taking into consideration the use of such acreage for the production of such crops: *Provided*, That in no event shall the payment exceed one-half the rate which otherwise would be applicable if such acreage were devoted to conservation uses."

"Sec. 502. Effective only with respect to the crops of wheat planted for harvest in the calendar years 1966 through 1969, and the marketing years for such crops, section 379b is amended to read as follows:

"Sec. 379b. A wheat marketing allocation program as provided in this subtitle shall be in effect for the marketing years for the crops planted for harvest in the calendar years 1966 through 1969. Whenever a wheat marketing allocation program is in effect for any marketing year the Secretary shall determine (1) the wheat marketing allocation for such year which shall be the amount of wheat he estimates will be used during such year for food products for consumption in the United States, but the amount of wheat included in the marketing allocation for food products for consumption in the United States shall not be less than five hundred million bushels, and (2) the national allocation percentage for such year which shall be the percentage which, when applied to the farm as provided in this section, will result in marketing certificates being issued to producers in the amount of the national wheat marketing allocation. The cost of any domestic marketing certificates issued to producers in excess of the number of certificates acquired by processors as a result of the application of the five hundred million bushel minimum or an overestimate of the amount of wheat used during such year for food products for consumption in the United States shall be borne by Commodity Credit Corporation. Each farm shall receive a wheat marketing allocation for such marketing year equal to the number of bushels obtained by multiplying the number of acres in the farm acreage allotment for wheat by the projected farm yield, and multiplying the resulting number of bushels by the national allocation percentage."

"Sec. 503. Effective beginning with the 1970 crop, section 379b is amended by striking out 'normal yield of wheat for the farm as determined by the Secretary' and substituting 'projected farm yield'."

"Sec. 504. (a) Effective upon the enactment of this Act, section 379d(b) is amended by striking out the third sentence and substituting the following: "The Secretary may exempt from the requirements of this subsection wheat exported for donation abroad and other noncommercial exports of wheat, wheat processed for use on the farm where grown, wheat produced by a State or agency thereof and processed for use by the State or agency thereof, wheat processed for donation, and wheat processed for uses determined by the Secretary to be noncommercial. Such exemptions may be made applicable with respect to any wheat processed or exported beginning July 1, 1964. There shall be exempt from the requirements of this subsection, beverage distilled from wheat prior to July 1, 1964. A beverage distilled from wheat after July 1, 1964, shall be deemed to be removed for sale or consumption at the time it is placed in barrels for aging except that upon the giving of a bond as prescribed by

the Secretary, the purchase of and payment for such marketing certificates as may be required may be deferred until such beverage is bottled for sale. Wheat shipped to a Canadian port for storage in bond, or storage under a similar arrangement, and subsequent exportation, shall be deemed to have been exported for purposes of this subsection when it is exported from the Canadian port."

"(b) Section 379d(d) is amended by inserting after the word 'flour' the following: '(excluding flour second clears not used for human consumption as determined by the Secretary)', and by inserting at the end thereof the following: "The Secretary may at his election administer the exemption for wheat processed into flour second clears through refunds either to processors of such wheat or to the users of such clears. For the purpose of such refunds, the wheat equivalent of flour second clears may be determined on the basis of conversion factors authorized by section 379f of the Agricultural Adjustment Act of 1938, even though certificates had been surrendered on the basis of the weight of the wheat."

"This subsection shall be effective as to products sold, or removed for sale or consumption on or after sixty days following enactment of this Act, unless the Secretary shall by regulation designate an earlier effective date within such sixty-day period."

"(c) Section 379d(b) is amended by adding at the end thereof the following: "Whenever the face value per bushel of domestic marketing certificates for a marketing year is different from the face value of domestic marketing certificates for the preceding marketing year, the Secretary may require marketing certificates issued for the preceding marketing year to be acquired to cover all wheat processed into food products during such preceding marketing year even though the food product may be marketed or removed for sale or consumption after the end of the marketing year."

"(d) Section 379g is amended by inserting '(a)' after 'Sec. 379g' and adding a new subsection (b) as follows:

"(b) Whenever the face value per bushel of domestic marketing certificates for a marketing year is substantially different from the face value of domestic marketing certificates for the preceding marketing year, the Secretary is authorized to take such action as he determines necessary to facilitate the transition between marketing years. Notwithstanding any other provision of this subtitle, such authority shall include, but shall not be limited to, the authority to sell certificates to persons engaged in the processing of wheat into food products covering such quantities of wheat, at such prices, and under such terms and conditions as the Secretary may by regulation provide. Any such certificate shall be issued by Commodity Credit Corporation."

"Sec. 505. The Agricultural Act of 1964 is amended as follows:

"(1) Amendment (7) of section 202 is amended by striking out '1964 and 1965' and substituting 'the calendar years 1964 through 1969'."

"(2) Amendment (13) of section 202 is amended by striking out 'only with respect to the crop planted for harvest in the calendar year 1965' and substituting 'with respect to the crops planted for harvest in the calendar years 1965 through 1969'."

"(3) Section 204 is amended by striking out '1964 and 1965' and substituting '1964 through 1969'."

"Sec. 506. Effective only with respect to the 1966 through 1969 crops, section 107 of the Agricultural Act of 1949, as amended (7 U.S.C. 1445a), is amended to read as follows:

"Sec. 107. Notwithstanding the provisions of section 101 of this Act, for any marketing year—

"(1)(a) Price support for wheat accompanied by domestic certificates shall be at 100 per centum of the parity price or as near thereto as the Secretary determines practicable, and (b) price support for wheat not accompanied by marketing certificates shall be at such level, not in excess of the parity price therefor, as the Secretary determines appropriate, taking into consideration competitive world prices of wheat, the feeding value of wheat in relation to feed grains, and the level at which price support is made available for feed grains.

"(2) notwithstanding the provisions of paragraph (1), for the 1966 crop, price support for wheat accompanied by domestic marketing certificates shall be at 100 per centum of the parity price therefor, and price support for wheat not accompanied by marketing certificates shall be not less than \$1.25 per bushel. For any crop of wheat planted for harvest during the calendar years 1967 through 1969 for which the diversion factor established pursuant to section 339(a) of the Agricultural Adjustment Act of 1938, as amended, is not less than 10 per centum, the total average rate of return per bushel made available to a cooperator on the estimated production of his allotment based on projected yield through loans, domestic marketing certificates, estimated returns from export marketing certificates, and diversion payments for acreage diverted pursuant to section 339(a) of the Agricultural Adjustment Act of 1938, as amended, shall not be less than the total average rate of return per bushel made available to cooperators through loans and domestic marketing certificates for the 1966 crop.

"(3) Price support shall be made available only to cooperators, and

"(4) A "cooperator" with respect to any crop of wheat produced on a farm shall be a producer who (i) does not knowingly exceed (A) the farm acreage allotment for wheat on the farm or (B) except as the Secretary may by regulation prescribe, the farm acreage allotment for wheat on any other farm on which the producer shares in the production of wheat, and (ii) complies with the land-use requirements of section 339 of the Agricultural Adjustment Act of 1938, as amended, to the extent prescribed by the Secretary. No producer shall be deemed to have exceeded a farm acreage allotment for wheat if the production on the acreage in excess of the farm acreage allotment is stored pursuant to the provisions of section 379c (b), but the producer shall not be eligible to receive price support on the wheat so stored."

"Sec. 507. Effective beginning with the crop planted for harvest in the calendar year 1967, section 339(a) (1) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting after the words 'national acreage allotment', wherever they appear, the following: '(less an acreage equal to the increased acreage allotted for 1966 pursuant to section 335)'."

"Sec. 508. Effective beginning with the crop planted for harvest in the calendar year 1966, section 379c(a) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting before the period at the end of the third sentence thereof a semicolon and the following: 'except that in any case in which the Secretary determines that such basis would not be fair and equitable, the Secretary shall provide for such sharing on such other basis as he may determine to be fair and equitable.', and by adding at the end thereof of the following: 'An acreage on the farm not planted to wheat because of drought, flood, or other natural disaster shall be deemed to be an actual acreage of wheat planted for harvest for purposes of this subsection provided such acreage is not subsequently planted to any other income-producing crops during such year. Producers on any farm who have planted not less than 90 per centum of the acreage of wheat required

to be planted in order to earn the full amount of marketing certificates for which the farm is eligible shall be deemed to have planted the entire acreage required to be planted for that purpose.'

"Sec. 509. Section 301(b) of the Agricultural Adjustment Act of 1938, as amended, is amended as follows:

"(1) Paragraph (8) is amended by inserting '(A)' after '(8)' and adding the following new subparagraph:

"(B) 'Projected national yield' as applied to any crop of wheat shall be determined on the basis of the national yield per harvested acre of the commodity during each of the five calendar years immediately preceding the year in which such projected national yield is determined, adjusted for abnormal weather conditions affecting such yield, for trends in yields and for any significant changes in production practices."

"(2) Paragraph (13) is amended by adding the following new subparagraphs:

"(J) 'Projected county yield' for any crop of wheat shall be determined on the basis of the yield per harvested acre of such commodity in the county during each of the five calendar years immediately preceding the year in which such projected county yield is determined, adjusted for abnormal weather conditions affecting such yield, for trends in yields and for any significant changes in production practices."

"(K) 'Projected farm yield' for any crop of wheat shall be determined on the basis of the yield per harvested acre of such commodity on the farm during each of the three calendar years immediately preceding the year in which such projected farm yield is determined, adjusted for abnormal weather conditions affecting such yield, for trends in yields and for any significant changes in production practices, but in no event shall such projected farm yield be less than the normal yield for such farm as provided in subparagraph (E) of this paragraph."

"Sec. 510. (a) Section 379c(b) of the Agricultural Adjustment Act of 1938, as amended, is amended, effective beginning with the 1966 crop, by striking out of the fifth sentence the words 'normal yield of wheat per acre established for the farm' and substituting therefor the words 'projected farm yield'."

"(b) Section 379i of the Agricultural Adjustment Act of 1938, as amended, is amended, effective as of the effective date of the original enactment of that section, by inserting in subsections (a) and (b) after the word 'who', wherever it appears, the word 'knowingly'."

"Sec. 511. (a) Effective beginning with the crop planted for harvest in 1966, paragraph (9) of section 301(b) of the Agricultural Adjustment Act of 1938, as amended, is amended by striking out 'cotton' and 'wheat' and by adding at the end thereof the following: 'Normal production' as applied to any number of acres of cotton or wheat means the projected farm yield times such number of acres."

"(b) Public Law 74, Seventy-seventh Congress, as amended, is amended by changing the words 'normal yield of wheat per acre established for the farm' in paragraph (1) to the words 'projected farm yield'."

"Sec. 512. The national, State, county, and farm acreage allotments for the 1966 crop of wheat shall be established in accordance with the provisions of law in effect prior to the enactment of this Act."

"Sec. 513. (a) Section 379d(b) of the Agricultural Adjustment Act of 1938 is amended by striking out the second sentence and substituting the following: 'The cost of the export marketing certificates per bushel to the exporter shall be that amount determined by the Secretary on a daily basis which would make United States wheat and wheat flour generally competitive in the world market, avoid disruption of world market

prices, and fulfill the international obligations of the United States.'

"(b) Section 379c(a) of such Act is amended by striking out everything in the next to the last sentence beginning with the words 'United States' and substituting the following: 'United States'. The Secretary shall also provide for the issuance of export marketing certificates to eligible producers at the end of the marketing year on a pro rata basis. For such purposes, the value per bushel of export marketing certificates shall be an average of the total net proceeds from the sale of export marketing certificates during the marketing year after deducting the total amount of wheat export subsidies paid to exporters."

"(c) Section 379c(c) of such Act is amended by striking out 'and the face value per bushel of export certificates shall be the amount by which the level of price support for wheat accompanied by export certificates exceeds the level of price support for non-certificate wheat'."

"Sec. 514. Section 328 of the Food and Agriculture Act of 1962 is amended by adding to the end thereof the following: 'In establishing terms and conditions for permitting wheat to be planted in lieu of oats and rye, the Secretary may take into account the number of feed units per acre of wheat in relation to the number of feed units per acre of oats and rye.'

"Sec. 515. Section 379c of the Agricultural Adjustment Act of 1938, as amended, is amended, effective beginning with the crop planted for harvest in the calendar year 1964, by adding the following subsection:

"(e) In any case in which the failure of a producer to comply fully with the terms and conditions of the programs formulated under this Act preclude the issuance of marketing certificates, the Secretary may, nevertheless, issue such certificates in such amounts as he determines to be equitable in relation to the seriousness of the default."

"Sec. 516. Section 379e of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof the following:

"Notwithstanding any other provision of this Act, Commodity Credit Corporation shall sell marketing certificates for the marketing years for the 1966 through the 1969 wheat crops to persons engaged in the processing of food products at the face value thereof less any amount by which price support for wheat accompanied by domestic certificates exceeds \$2 per bushel."

"Sec. 517. Subsection (b) of section 379c of the Agricultural Adjustment Act of 1938 is amended by inserting immediately preceding the words 'stored' wherever it appears, in the fourth through the sixth sentences, the words 'delivered to the Secretary or', and by adding at the end thereof the following: 'Any wheat delivered to the Secretary hereunder shall become the property of the United States and shall be disposed of by the Secretary for relief purposes in the United States or in foreign countries or in such other manner as he shall determine will divert it from the normal channels of trade and commerce. Notwithstanding any other provision of this Act, the Secretary may provide that a producer shall not be eligible to receive marketing certificates, or may adjust the amount of marketing certificates to be received by the producer, with respect to any farm for any year in which a variety of wheat is planted on the farm which has been determined by the Secretary, after consultation with State Agricultural Experiment Stations, agronomists, cereal chemists and other qualified technicians, to have undesirable milling or baking qualities and has made public announcement thereof.'

"TITLE VI—CROPLAND ADJUSTMENT

"Sec. 601. The Soil Bank Act of 1956, as amended, is hereby repealed, except that it

shall remain in effect with respect to contracts entered into prior to such repeal.

"Sec. 602. (a) Notwithstanding any other provision of law, for the purpose of reducing the costs of farm programs, assisting farmers in turning their land to nonagricultural uses, promoting the development and conservation of the Nation's soil, water, forest, wildlife, and recreational resources, establishing, protecting, and conserving open spaces and natural beauty, the Secretary of Agriculture is authorized to formulate and carry out a program during the calendar years 1965 through 1969 under which agreements would be entered into with producers as hereinafter provided for periods of not less than five nor more than ten years. No agreement shall be entered into under this section concerning land with respect to which the ownership has changed in the three-year period preceding the first year of the agreement period unless the new ownership was acquired by will or succession as a result of the death of the previous owner, or unless the new ownership was acquired prior to January 1, 1965, under other circumstances which the Secretary determines, and specifies by regulation, will give adequate assurance that such land was not acquired for the purpose of placing it in the program: *Provided*, That this provision shall not be construed to prohibit the continuation of an agreement by a new owner after an agreement has once been entered into under this section: *Provided further*, That the Secretary shall not require a person who has operated the land to be covered by an agreement under this section for as long as three years preceding the date of the agreement and who controls the land for the agreement period to own the land as a condition of eligibility for entering into the agreement.

"(b) The producer shall agree (1) to carry out on a specifically designated acreage of land on the farm regularly used in the production of crops (including crops, such as tame hay, alfalfa, and clovers, which do not require annual tillage and which have been planted within 5 years preceding the date of the agreement), hereinafter called 'designated acreage', and maintain for the agreement period practices or uses which will conserve soil, water, or forest resources, or establish or protect or conserve open spaces, natural beauty, wildlife or recreational resources, or prevent air or water pollution, in such manner as the Secretary may prescribe (priority being given to the extent practicable to practices or uses which are most likely to result in permanent retirement to non-crop uses); (2) to maintain in conserving crops or uses or allow to remain idle throughout the agreement period the acreage normally devoted to such crops or uses; (3) not to harvest any crop from or graze the designated acreage during the agreement period, unless the Secretary, after certification by the Governor of the State in which such acreage is situated of the need for grazing or harvesting of such acreage, determines that it is necessary to permit grazing or harvesting in order to alleviate damage, hardship, or suffering caused by severe drought, flood, or other natural disaster, and consents to such grazing or harvesting subject to an appropriate reduction in the rate of payment; and (4) to such additional terms and conditions as the Secretary determines are desirable to effectuate the purposes of the program, including such measures as the Secretary may deem appropriate to keep the designated acreage free from erosion, insects, weeds, and rodents. Agreements entered into under which 1966 is the first year of the agreement period (A) shall require the producer to divert from production all of one or more crops designated by the Secretary; and (B) shall not provide for diversion from the production of upland cotton in any county in which the county committee by resolution determines,

and requests of the Secretary, that there should not be such diversion in 1966.

"(c) Under such agreements the Secretary shall (1) bear such part of the average cost (including labor) for the county or area in which the farm is situated of establishing and maintaining authorized practices or uses on the designated acreage as the Secretary determines to be necessary to effectuate the purposes of the program, but not to exceed the average rate for comparable practices or uses under the agricultural conservation program, and (2) make an annual adjustment payment to the producer for the period of the agreement at such rate or rates as the Secretary determines to be fair and reasonable in consideration of the obligations undertaken by the producers. The rate or rates of annual adjustment payments as determined hereunder may be increased by an amount determined by the Secretary to be appropriate in relation to the benefit to the general public of the use of the designated acreage if the producer further agrees to permit, without other compensation, access to such acreage by the general public, during the agreement period, for hunting, trapping, fishing, and hiking, subject to applicable State and Federal regulations. The Secretary and the producer may agree that the annual adjustment payments for all years of the agreement period shall be made either upon approval of the agreement or in such installments as they may agree to be desirable: *Provided*, That for each year any annual adjustment payment is made in advance of performance, the annual adjustment payment shall be reduced by 5 per centum. The Secretary may provide for adjusting any payment on account of failure to comply with the terms and conditions of the program.

"(d) The Secretary shall, unless he determines that such action will be inconsistent with the effective administration of the program, use an advertising and bid procedure in determining the lands in any area to be covered by agreements. The total acreage placed under contract in any county or local community shall be limited to a percentage of the total eligible acreage in such county or local community which the Secretary determines would not adversely affect the economy of the county or local community. In determining such percentage the Secretary shall give appropriate consideration to the productivity of the acreage being retired as compared to the average productivity of eligible acreage in the county or local community.

"(e) The annual adjustment payment shall not exceed 40 per centum of the estimated value, as determined by the Secretary, on the basis of prices in effect at the time the agreement is entered into, of the crops or types of crops which might otherwise be grown. The estimated value may be established by the Secretary on a county, area, or individual farm basis as he deems appropriate.

"(f) The Secretary may terminate any agreement with a producer by mutual agreement with the producer if the Secretary determines that such termination would be in the public interest, and may agree to such modification of agreements as he may determine to be desirable to carry out the purposes of the program or facilitate its administration.

"(g) Notwithstanding any other provision of law, the Secretary of Agriculture may, to the extent he deems it desirable, provide by appropriate regulations for preservation of cropland, crop acreage, and allotment history applicable to acreage diverted from the production of crops in order to establish or maintain vegetative cover or other approved practices for the purpose of any Federal program under which such history is used as a basis for an allotment or other limitation or for participation in such program. Subsections (b) (3) and (4) and

(e) (6) of section 16 of the Soil Conservation and Domestic Allotment Act, as amended, are repealed, except that all rights accruing thereunder to persons who entered into contracts or agreements prior to such repeal shall be preserved.

"(h) In carrying out the program, the Secretary shall utilize the services of local, county, and State committees established under section 8 of the Soil Conservation and Domestic Allotment Act, as amended.

"(i) For the purpose of obtaining an increase in the permanent retirement of cropland to noncrop uses the Secretary may, notwithstanding any other provision of law, transfer funds available for carrying out the program to any other Federal agency or to States or local government agencies for use in acquiring cropland for the preservation of open spaces, natural beauty, the development of wildlife or recreational facilities, or the prevention of air or water pollution under terms and conditions consistent with and at costs not greater than those under agreements entered into with producers, provided the Secretary determines that the purposes of the program will be accomplished by such action.

"(j) The Secretary also is authorized to share the cost with State and local governmental agencies in the establishment of practices or uses which will establish, protect, and conserve open spaces, natural beauty, wildlife or recreational resources, or prevent air or water pollution under terms and conditions and at costs consistent with those under agreements entered into with producers, provided the Secretary determines that the purposes of the program will be accomplished by such action.

"(k) In carrying out the program, the Secretary shall not during any of the fiscal years ending June 30, 1966 through June 30, 1968 or during the period June 30, 1968 through December 31, 1969, enter into agreements with producers which would require payments to producers in any calendar year under such agreements in excess of \$225,000,000 plus any amount by which agreements entered into in prior fiscal years require payments in amounts less than authorized for such prior fiscal years. For purposes of applying this limitation, the annual adjustment payment shall be chargeable to the year in which performance is rendered regardless of the year in which it is made.

"(l) The Secretary is authorized to utilize the facilities, services, authorities, and funds of the Commodity Credit Corporation in discharging his functions and responsibilities under this program, including payment of costs of administration: *Provided*, That after December 31, 1966, the Commodity Credit Corporation shall not make any expenditures for carrying out the purposes of this title unless the Corporation has received funds to cover such expenditures from appropriations made to carry out the purposes of this title. There are hereby authorized to be appropriated such sums as may be necessary to carry out the program, including such amounts as may be required to make payments to the Corporation for its actual costs incurred or to be incurred under this program.

"(m) In case any producer who is entitled to any payment or compensation dies, becomes incompetent, or disappears before receiving such payment or compensation, or is succeeded by another who renders or completes the required performance, the payment or compensation shall, without regard to any other provisions of law, be made as the Secretary may determine to be fair and reasonable in all the circumstances and so provide by regulations.

"(n) The Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers, including provision for sharing, on a fair and equitable basis, in payments or compensation under this program.

"(o) The acreage on any farm which is diverted from the production of any commodity pursuant to an agreement hereafter entered into under this title shall be deemed to be acreage diverted from that commodity for the purposes of any commodity program under which diversion is required as a condition of eligibility for price support.

"(p) The Secretary may, without regard to the civil service laws, appoint an Advisory Board on Wildlife to advise and consult on matters relating to his functions under this title as he deems appropriate. The Board shall consist of twelve persons chosen from members of wildlife organizations, farm organizations, State game and fish agencies, and representatives of the general public. Members of such Advisory Board who are not regular full-time employees of the United States shall not be entitled to any compensation or expenses.

"(q) The Secretary shall prescribe such regulations as he determines necessary to carry out the provisions of this title.

"TITLE VII—MISCELLANEOUS

"SEC. 701. Section 374(a) of the Agricultural Adjustment Act of 1938, as amended, is amended to read as follows:

"(a) The Secretary shall provide for ascertaining, by measurement or otherwise, the acreage of any agricultural commodity or land use on farms for which the ascertainment of such acreage is necessary to determine compliance under any program administered by the Secretary. Insofar as practicable, the acreage of the commodity and land use shall be ascertained prior to harvest, and, if any acreage so ascertained is not in compliance with the requirements of the program the Secretary, under such terms and conditions as he prescribes, may provide a reasonable time for the adjustment of the acreage of the commodity or land use to the requirements of the program."

"SEC. 702. Section 374(c) of the Agricultural Adjustment Act of 1938, as amended, is amended by deleting the first sentence thereof.

"SEC. 703. Subsection (a) of section 316 of the Agricultural Adjustment Act of 1938, as amended, is amended (i) by striking out of the first sentence thereof '1962, 1963, 1964, and 1965,' and inserting '1962 through 1969' and (ii) by striking out of the last sentence thereof '1964 or 1965' and inserting '1964 through 1969'.

"Notwithstanding the provisions of subsection 316(c) and subsection 317(f) relating to lease and transfer of allotments for years subsequent to 1965, of the Agricultural Adjustment Act of 1938, as amended, whenever acreage-poundage quotas are in effect for any kind of tobacco as provided in Section 317 of the Act, except in the case of burley tobacco, and other kinds of tobacco not subject to Section 316, the lease and transfer shall be on a pound for pound basis and the acreage allotment for the lessee farm shall be increased by an amount determined by dividing the number of pounds leased by the farm yield for the lessee farm, and the acreage allotment for the lessor farm shall be reduced by an amount determined by dividing the number of pounds leased by the farm yield for the lessor farm.

"SEC. 704. The last paragraph of the Act entitled 'An Act to amend the peanut marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, and for other purposes', approved August 13, 1957 (7 U.S.C. 1359 note), is amended to read as follows:

"This amendment shall be effective for the 1957 through 1969 crops of peanuts."

"SEC. 705. The Secretary of Agriculture shall make a study of the parity income position of farmers, including the development of criteria for measuring parity income of commercial family farmers and the feasibility of adapting such criteria to major types

of farms and to selected counties. The Secretary shall report the results of such study to the Congress not later than June 30, 1966.

"SEC. 706. Notwithstanding any other provision of law, the Secretary, upon the request of any agency of any State charged with the administration of the public lands of the State, may permit the transfer of acreage allotments or feed grain bases together with relevant production histories which have been determined pursuant to the Agricultural Adjustment Act of 1938, as amended, or section 16 of the Soil Conservation and Domestic Allotment Act, as amended, from any farm composed of public lands to any other farm or farms in the same county composed of public lands: *Provided*, That as a condition for the transfer of any allotment or base an acreage equal to or greater than the allotment or base transferred prior to adjustment, if any, shall be devoted to and maintained in permanent vegetative cover on the farm from which the transfer is made. The Secretary shall prescribe regulations which he deems necessary for the administration of this section, which may provide for adjusting downward the size of the allotment or base transferred if the farm to which the allotment or base is transferred normally has a higher yield per acre for the commodity for which the allotment or base is determined, for reasonable limitations on the size of the resulting allotments and bases on farms to which transfers are made, taking into account the size of the allotments and bases on farms of similar size in the community, and for retransferring allotments or bases and relevant histories if the conditions of the transfer are not fulfilled.

"SEC. 707. The Agricultural Adjustment Act of 1938, as amended, is amended by inserting after section 378 the following new section:

"RECONSTITUTION OF FARMS

"SEC. 379. In any case in which the ownership of a tract of land is transferred from a parent farm, the acreage allotments, history acreages, and base acreages, for the farm shall be divided between such tract and the parent farm in the same proportion that the cropland acreage in such tract bears to the cropland acreage in the parent farm, except that the Secretary shall provide by regulation the method to be used in determining the division, if any, of the acreage allotments, histories, and bases in any case in which—

"(1) the tract of land transferred from the parent farm has been or is being transferred to any agency having the right to acquire it by eminent domain;

"(2) the tract of land transferred from the parent farm is to be used for nonagricultural purposes;

"(3) the parent farm resulted from a combination of two or more tracts of land and records are available showing the contribution of each tract to the allotments, histories, and bases of the parent farm;

"(4) the appropriate county committee determines that a division based on cropland proportions would result in allotments and bases not representative of the operations normally carried out on any transferred tract during the base period; or

"(5) the parent farm is divided among heirs in settling an estate.

"(6) neither the tract transferred from the parent farm nor the remaining portion of the parent farm receives allotments in excess of allotments for similar farms in the community having allotments of the commodity or commodities involved and such allotments are consistent with good land uses, but this clause (6) shall not be applicable in the case of burley tobacco."

"SEC. 708. Notwithstanding any other provision of law, in the determination of farm yields the Secretary may use projected yields in lieu of normal yields. In the determination of such yields the Secretary shall take

into account the actual yield proved by the producer for the base period used in determining the projected yield, and the projected yield shall not be less than such actual yield proved by the producer.

"SEC. 709. The Secretary of Agriculture is hereby authorized to use funds of the Commodity Credit Corporation to purchase sufficient supplies of dairy products at market prices to meet the requirements of any programs for the schools (other than fluid milk in the case of schools), domestic relief distribution, community action, foreign distribution, and such other programs as are authorized by law, when there are insufficient stocks of dairy products in the hands of Commodity Credit Corporation available for these purposes.

"TITLE VIII—RICE

"SEC. 801. Section 353(c) of the Agricultural Adjustment Act of 1938, as amended, is amended by adding the following new paragraph at the end thereof:

"(7) If the national acreage allotment for rice for 1966, 1967, 1968, or 1969 is less than the national acreage allotment for rice for 1965, the Secretary shall formulate and carry out an acreage diversion program for rice for such year designed to support the gross income of rice producers at a level not lower than that for 1965, minus any reduction in production costs resulting from the reduced rice acreage. Under such program conservation payments shall be made to producers who comply with their rice acreage allotments, devote to an approved conservation use an acreage of cropland on the farm equal to the number of acres determined by multiplying the farm acreage allotment by the diversion factor, and comply with such additional terms and conditions as the Secretary may prescribe. The diversion factor shall be determined by dividing the number of acres by which the national acreage allotment is reduced below the national acreage allotment for 1965 by the number of acres in the national acreage allotment. Notwithstanding the foregoing provisions, the Secretary may permit all or any part of such diverted acreage to be devoted to the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, and flaxseed, if he determines that such production is not likely to increase the cost of the price-support program and will not adversely affect farm income, subject to the condition that payment with respect to diverted acreage devoted to any such crops shall be at a rate determined by the Secretary to be fair and reasonable, taking into consideration the use of such acreage for the production of such crops; but in no event shall the payment exceed one-half the rate which otherwise would be applicable if such acreage were devoted to conservation uses. Such program shall require the producer to take such measures as the Secretary may deem appropriate to keep such diverted acreage free from erosion, insects, weeds, and rodents. The Secretary may make not to exceed 50 per centum of any payments to producers in advance of determination of performance. The Secretary shall provide for the sharing of payments under this paragraph among producers on the farm on a fair and equitable basis as determined by the Secretary. The Commodity Credit Corporation is authorized to utilize its capital funds and other assets for the purpose of making the payments authorized in this paragraph and to pay administrative expenses necessary in carrying out this paragraph."

"SEC. 802. Section 403 of the Agricultural Act of 1949, as amended, is amended by inserting at the end thereof the following: 'In determining support prices for the 1966 and 1967 crops of rice the Secretary shall, notwithstanding the foregoing or any other provision of law, use head and broken rice value factors for the various varieties which

(1) are not lower than those used with respect to the 1965 crop, and (2) do not differ as between any two varieties by a greater amount than the value factors used with respect to the 1965 crop for such two varieties differed."

And the Senate agree to the same.

HAROLD D. COOLEY,
W. R. POAGE,
WATKINS M. ABBETT,
HARLAN HAGEN,
FRANK A. STUBBLEFIELD,
GRAHAM PURCELL,

Managers on the Part of the House.

ALLEN J. ELLENDER,
SPESSARD L. HOLLAND,
HERMAN E. TALMADGE,
MILTON R. YOUNG,
JOHN SHERMAN COOPER,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill, H.R. 9811, to maintain farm income, to stabilize prices and assure adequate supplies of agricultural commodities, to reduce surpluses, lower Government costs and promote foreign trade, to afford greater economic opportunity in rural areas, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate struck out all after the enacting clause of H.R. 9811 and substituted a Senate amendment which, while dealing with the same subject matter, differed from it in several major respects. The amendment herewith reported embodies the agreement of the conferees on the various points of difference in the House bill and the Senate amendment and was agreed to by the conferees as a substitute for the Senate amendment.

The conference substitute follows the structure of the House bill as to the order and arrangement of titles. It adds at the end a title relating to rice which was not in the House bill.

Following is a summary of the substitute amendment as agreed to by the conferees:

TITLE I—DAIRY

The class I dairymen's base plan embraced in the first title seeks to reduce surplus milk production and stabilize the income of dairy farmers in the 75 Federal milk order areas by removing the necessity for dairymen to produce surplus milk in order to preserve their individual participation in the markets for milk for fluid consumption.

The Conference adopted all of title I of the House bill which includes provisions dealing with (a) individual voting in a farmer referendum on the class I base plan, (b) leaving the legal status of producer-handlers unchanged, (c) authorizing marketing orders for manufacturing milk and (d) entry of new producers into class I base plan order markets.

Two Senate dairy provisions were adopted. These deal with (a) an "anti-dumping" provision to prevent disruption of other markets, and (b) allowing the Commodity Credit Corporation to purchase dairy products (except fluid milk for schools) for domestic and foreign donation programs even though these dairy products are not in the CCC inventory. The latter authority appears in the miscellaneous title of the bill.

TITLE II—WOOL

Continues the National Wool Act of 1954 through December 31, 1969, with modifications intended to increase the production of wool in the United States. The conference accepted the Senate formula for the minimum price support floor. This would fix the

support level for shorn wool at the present level of 62 cents a pound increased by the same percentage as the percentage increase in the parity index. This would fix the support price at 65 cents a pound for 1966, about 66 cents for 1967, with the support levels for 1968 and 1969 depending on further changes in the parity index. The Senate provision on small flocks was deleted.

TITLE III—FEED GRAINS

This title continues for 4 years the provisions of the present Feed Grains Program for price-support loans, purchases, and in-kind payments to program participants at about the same levels of recent years. Participants by diverting acreage from feed grain production to conservation uses would receive, as in the past, payments-in-kind to help maintain income.

The conference accepted the House bill with the Senate amendment which permits the Secretary to set the total price support (both loan and payments) at a range between 65 and 90 percent of parity. The House had set a minimum loan of 65 percent of parity. The change allows the Secretary to lower the present loan and increase the present price support payment. The Senate provision authorizing an alternative feed grain program was deleted by the conference.

A requirement of the feed grain, cotton, and wheat programs is that land taken out of the production of these crops be devoted to conservation uses. Each farm has established a conservation base which is the average acreage of conserving uses on the farm for 1959 and 1960. Since 1963, noncropland which has been cleared and made into cropland has been added to the conservation base. The Department of Agriculture has agreed for 1966 that the farm conservation base will not reflect the acreage of noncropland brought into a cropland status since the base period 1959-1960, if such new cropland was not devoted to the production of crops in surplus. This means that this new cropland which has been devoted to the production of soybeans will not be added to the conserving base.

TITLE IV—COTTON

The one-price cotton program, wherein American mills buy U.S. cotton at the same price it is offered to foreign mills, is extended for 4 years, through 1969, with modifications. The conference substitute provides:

(1) Continuation of the 16-million-acre national minimum allotment for cotton, but establishes a domestic allotment within the farm allotment which will be not less than 65 percent of each farm allotment.

(2) Mandatory 12½-percent reduction for 1966 (instead of 15 percent in the House bill) from the farm acreage allotment for each farmer participating in the program, except for small farmers who are exempt from mandatory acreage cuts and receive special treatment with respect to income. After 1966 the extent of mandatory reduction will be not more than 12½ percent, as determined by the Secretary.

(3) Loans to cooperators at not more than 90 percent of the estimated average world market price for cotton (1966—21 cents), available on the actual production of cooperators, plus price support payments to these cooperators, in an amount calculated to reflect not less than 65 percent of parity on the projected yield of their acreage permitted to be devoted to cotton.

(4) Payments for retired acreage at the rate of not less than 25 percent of the parity price multiplied by the projected yield of the acreage required to be retired (up to 40 percent of parity on the balance) the farmer (except those under the small farm exemption) being required to retire 12½ percent of his effective allotment and having the option of retiring an additional 22½ percent of his allotment, to a total of 35 percent.

(5) A small farm exception stipulating that there will not be mandatory reduction in

the acreage of farmers with allotments of 10 acres or less or for those farmers whose projected yield of the farm allotment is 3,600 pounds or less, that these small farmers will receive on their production the same level of price support provided for other producers without making the reduction required of other producers, and a land retirement payment as if they had reduced their acreage by 35 percent. If a small farmer chooses to reduce his acreage to any level down to 65 percent of his allotment, he will receive an additional diversion payment at the rate for voluntary diversion on this acreage.

(6) Any producer with an allotment may stay out of the program, receive no price support or payments, and plant and sell cotton into export without penalty, with the national total of such nonprogram acreage not to exceed 250,000 acres in 1966 and with a stipulation that this total would be reduced in 1967, 1968, and 1969 unless there is a proportionate reduction in the national carry-over of cotton.

(7) Allotted cotton acreage released by farmers not wanting to plant any cotton in a given year may be reapportioned to other farmers within the county or in other counties within the state if not wanted within the county where released. Farmers releasing 87½ percent of their allotments for reapportionment would be eligible for diversion payments on 12½ percent of the allotment.

(8) Sale or lease of cotton acreage allotments between farmers is authorized within a county, or in other counties of the same state if farmers within the county approve in a referendum the movement of allotments to purchasers in other counties.

(9) Cotton farmers may assign their direct price support and diversion payments to private lending agencies in obtaining production loans.

(10) Exchange of rice and cotton allotments, within a county or an adjoining county, is authorized under terms and conditions approved by the Secretary.

(11) The price support payment is to be made one-half at the time the farmer signs up for the program, and the time of the second half of the payment is left to the Secretary's discretion. The House conferees receded from the position that the balance of payments to producers may be made only when the producer divests himself of interest in the cotton and concurred in the provision that the balance of such payments shall be made at such time as the Secretary may determine.

The committee of conference emphasizes, however, that the programs authorized by the bill are designed to move cotton into trade channels for domestic consumption and export. Reduced use of the CCC price support loan program is contemplated. In any instance where the Secretary finds that warehousemen, marketing associations, merchants or others engaged in handling cotton for producers, or participating in the program to make price support loans available to producers, are taking actions which encourage undue entries of cotton into the loan program, the Secretary shall take such corrective measures as may be necessary.

One of the major purposes of the bill is to reduce domestic production of cotton. Strong incentives are provided in the form of direct payments to producers who cooperate by planting less than their allotted cotton acreages. Very few farmers will forego participating in the program. If this approach proves effective, production will be less than domestic consumption and exports and the surplus stocks held by CCC can be gradually liquidated with minimum adverse effects on world markets. Reduced stocks in the United States will, of course, result in a better supply-demand balance for cotton on a worldwide basis. This will benefit all countries which produce cotton.

The bill represents a significant step toward establishing a free market for cotton in the United States. It is a step toward doing what other countries have been asking the United States to do for many years. The new CCC loan rate will no longer constitute an incentive to farmers to produce unneeded supplies of cotton.

With the loan rate at 21 cents for the 1966 crop and at not more than 90 percent of the estimated world price for 1967, 1968, and 1969, most of the annual production would be expected to move directly to markets through normal commercial channels of trade, with CCC having a substantially reduced role in making loans and merchandising cotton. Many foreign cotton-producing countries have expressed an interest in this arrangement for U.S. cotton.

Under the new program the U.S. export price for cotton is expected to be more competitive with prices in other exporting countries. The U.S. Government's cotton policy will be administered in a responsible manner as in the past. It is not the intention of the Congress that large quantities of CCC stocks be dumped on world markets at fire-sale prices.

TITLE V—WHEAT

This title authorizes continuation of the voluntary wheat certificate program for 4 years with modifications of current provisions aimed at boosting wheat farmers' income by about \$200 million a year, and providing more freedom in the marketing system. Basically, it would call for a wheat program for the 1966 through 1969 period similar to the one in effect for the 1964 and 1965 crops.

The significant change from current operations would provide for price support for wheat used domestically as food at 100 percent of parity, and a variable export certificate, to supplement wheat farmers' income. The support price for wheat for domestic food use would be increased about 57 cents a bushel to around \$2.57. This increase would be accomplished by Government payments of 57 cents a bushel. Domestic wheat users would continue to purchase certificates at the difference between the loan rate and \$2 a bushel on the amount of wheat used.

The conference bill increases the total price support on wheat about 3½ cents a bushel over the House bill, to achieve a minimum support level of \$1.84½ per bushel for wheat during each of the next 4 years. The escalated domestic certificate provision in the Senate bill—relating the price of the certificate to the price of bread—was deleted. In this connection, however, it is the request of the committee of conference that the Secretary of Agriculture conduct a continuing study of bread prices and that he report to the Committee on Agriculture and Forestry of the Senate and the Committee on Agriculture of the House any increases in bread prices which do not appear to be justified by increased costs of labor, materials, and other factors.

The Senate provision dealing with the exemption for second clears was adopted by the conference. This change reflects an agreement reached between all the corn and wheat industries and the Department of Agriculture as explained in the Senate Committee Report and is in accord with the basic intent of the House provision.

It is the intention of the committee of conference that the Secretary affirmatively implement the exemption provided herein so that it will become operative and provide relief from the certificate liability imposed by this act not later than 60 days following enactment of this act.

Language adopted by the conference with respect to the rate of return per bushel of wheat follows:

"For the 1966 crop, price supports for wheat accompanied by domestic certificates shall be at 100 per centum of the parity price there-

for, and price supports for wheat not accompanied by marketing certificates shall be not less than \$1.25 per bushel. For any crop of wheat planted for harvest during the calendar years 1967 through 1969 for which the diversion factor is not less than 10 per centum, the total average rate of return per bushel made available to cooperators on the estimated production of his allotment based on projected yield through loans, domestic marketing certificates, estimated returns from export marketing certificates, and diversion payments for acreage diverted pursuant to section 339(a) of the Agricultural Adjustment Act of 1938, as amended, shall not be less than the total average rate of return per bushel made available to cooperators through loans and domestic marketing certificates for the 1966 crop."

TITLE VI—CROPLAND ADJUSTMENT

Under this title the Secretary would be authorized to enter into 5- to 10-year contracts with farmers calling for conversion of cropland into vegetative cover, water storage facilities or other soil, water, wildlife or forest conserving uses. Payments under such contracts would be at a rate of not more than 40 percent of the annual market value of the crop that would have been produced on the land, as determined by the Secretary. It is expected that about 8 million acres per year would be added to this program until it reaches its peak participation of 40 million acres in 1970. The Secretary is authorized to obligate not more than \$225 million per year in new contracts signed during each of the next four years, so that by the end of the sign-up period contracts in force could involve payments to a maximum of \$900 million annually.

The conference committee also agreed to (a) make tame hay, alfalfa and clovers eligible cropland for purposes of the program, (b) require a farmer to place all of at least one surplus crop into the program in 1966 in order to be eligible to participate (after 1966, the Secretary would have discretion to set the required percentage), (c) require prior ownership of the farm for at least 3 years before it could be placed in the program, (d) require the Secretary to use the bid procedure in signing up cropland unless he should find such a procedure is not feasible, (e) allow either lump sum or annual payments, (f) for 1966, cotton acreage in a county could be excluded from the program at the request of the county Agricultural Stabilization and Conservation Committee (ASCC), (g) authorize a wildlife advisory board which would serve without compensation or travel allowance, and (h) authorize additional payments to farmers who permit their land to be used, in cooperation with a State agency, for hunting, fishing, etc.

The committee of conference was concerned lest the cumulative effect of acreage reduction under both the cotton program and the CAP program should severely damage the economy of many cotton producing areas. It has, therefore, incorporated the requirement that the Secretary shall consider the impact of acreage retirement on the community—as well as the county (as provided in House bill).

The conferees also obtained from the Secretary of Agriculture the following letter regarding his intention to limit cropland retirement under the CAP program:

DEPARTMENT OF AGRICULTURE,
Washington, D.C., Sept. 28, 1965.

Hon. HAROLD D. COOLEY,
Chairman, Committee on Agriculture,
House of Representatives.

DEAR MR. CHAIRMAN: A question has been raised as to the extent to which the Department would expect to contract for reductions in base and allotment crops in any county under the cropland adjustment program proposed in H.R. 9811.

It would be the intent of the Department to limit the acreage contracted in any year insofar as a base or allotment crop is concerned to not more than 10 percent of the allotment or base acreage for that crop in the county. It would be our intent to further limit the acreage contracted over the life of the program to not more than 25 percent of the base or allotment for the crop for the county unless responsible representatives of the county government and the elected farmer ASCS committee for the county agreed that more than 25 percent could be contracted without adversely affecting the economy of the county.

Sincerely,

ORVILLE L. FREEMAN.

TITLE VII—MISCELLANEOUS

Section 701 and section 702 repeal the provisions that acreage on all farms participating in crop allotment programs must be measured and provide that the Secretary may use other methods such as certification and spot-checking to determine compliance with program objectives. The House bill had authorized this for all crops except peanuts and tobacco.

Section 703 extends for four years (the same as the House bill) authority for leasing of tobacco acreage but adds the provision that for tobacco being allotted on an acreage-poundage basis, leases may be made on the basis of pounds, rather than acres.

Section 704 extends the definition of "boiling peanuts" for four years (instead of the permanent extension provided in the House bill).

Section 705 directs the Secretary of Agriculture to make a study of the parity income position of farmers and report thereon to Congress not later than June 30, 1966. This combines related but somewhat different provisions in the House and Senate bills.

Section 706 is the House provision authorizing any State agency administering public lands to transfer an acreage allotment from one farm to another in the same county.

Section 707 enacts into law provisions of administrative regulations relating to the reconstitution of farms.

Section 708 authorizes the Secretary to use projected yields in lieu of normal yields in connection with all farm programs.

Section 709 authorizes the Secretary of Agriculture to use CCC funds for the purchase of dairy products when there is not a sufficient supply of such products in the Commodity Credit Corporation to meet commitments.

FARM LABOR

A provision relating to farm labor was in the Senate bill but was deleted on the floor by a narrow margin. In spite of the fact that there is no provision with respect to farm labor in either the House or Senate bills, the committee of conference recognizes that the success of any agricultural enterprise is dependent upon an adequate labor force to carry out the farming operations. It has voted to include in this statement of managers the following statement on this subject by the committee of conference:

"The committee of conference emphasizes that an adequate force of capable labor is essential to the efficient production and harvesting of agricultural commodities. It is deeply concerned over the inadequate supply of such labor this year, particularly to the producers of perishable crops.

"Agricultural labor shortages in 1965 have had serious consequences. Crops have been lost. Plantings have been reduced because of uncertainty created by governmental policies with respect to agricultural labor. Crops lost or not planted because of inadequate labor will necessarily injure the consumer and the economy as well as the farmer. They will also reduce the number of job opportunities in agriculture and related industries.

This shortage of capable labor has resulted from administrative actions which have failed to sufficiently recognize the needs and problems of agriculture and which have imposed requirements on farmers never authorized by Congress. To avoid the subordination of agriculture's interests, it is the unanimous view of the conferees that the Secretary of Agriculture should collect necessary facts concerning requirements for and availability of agricultural labor and submit such information to the Attorney General in connection with determinations as to whether farmers are to have needed supplemental foreign labor.

"The Congress recognized the need for such information and made provision therefor by authorizing the Attorney General, in carrying out his responsibilities, to consult with appropriate agencies of government. There is no question but that the Department of Agriculture is the appropriate agency to determine facts concerning the requirements of agriculture and the extent to which, and timeliness by which, they are being met.

"It is the opinion of the conferees that under the practice now prevailing in which the Attorney General has relied almost entirely on the Department of Labor, the findings and recommendations of the Secretary of Labor have been in many instances too little and too late to meet the critical needs of producers."

TITLE VIII—RICE

Title VIII of the conference substitute provides for a 4-year rice diversion program, effective only when the national allotment is reduced below that for 1965. The House bill contained no such provision. Under the provision agreed to by the conferees, if rice acreage allotments fall below the 1965 level, the Secretary will be required to carry out a diversion program similar to that for other commodities. The title also provides that for 1966 and 1967, rice value factors may not be reduced and differentials between value factors for the various varieties could not be increased.

HAROLD D. COOLEY,
W. R. POAGE,
WATKINS M. ABBITT,
HARLAN HAGEN,
FRANK A. STUBBLEFIELD,
GRAHAM PURCELL.

Managers on the Part of the House.

Mr. COOLEY. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I present to the House for its approval the conference report on H.R. 9811, the Food and Agriculture Act of 1965.

This legislation writes a new chapter in the success story of American agriculture. It brings together the experience of three decades of effort in the Congress, and in succeeding administrations, to achieve and maintain a parity position for the farm families of this country who produce our food and fiber; it insures abundant food at reasonable cost to consumers; it avoids the accumulation of surpluses; and it will accomplish all this at a minimum cost to the Government.

I was honored to be elected chairman of the House-Senate conference committee which adjusted the differences in the bill as it earlier had passed both legislative bodies. The conference draft of the bill I now present, in my judgment, is a refinement of, and it is superior to, the bill previously passed by either the House or the Senate.

It is a matter of pride and deep satisfaction that I now commend each member of the conference committee which developed this final draft of H.R. 9811.

They are our colleagues, Representatives POAGE of Texas, ABBITT of Virginia, HAGEN of California, STUBBLEFIELD of Kentucky, PURCELL of Texas, DAGUE of Pennsylvania, BELCHER of Oklahoma, TEAGUE of California; and Senators ELLENDER of Louisiana, the chairman of the Senate Committee on Agriculture and Forestry, HOLLAND of Florida, EASTLAND of Mississippi, TALMADGE of Georgia, AIKEN of Vermont, YOUNG of North Dakota, and COOPER of Kentucky.

I wish also to commend the members of the staffs of the House Committee on Agriculture and of the Senate Committee on Agriculture and Forestry. They worked far into the night, cooperating with the conferees in an effort to compose differences, make compromises, and to present something here that I think all of us should accept.

I never have known a committee of the Congress to work with more dedication to the accomplishment of a purpose in the public interest. Although the members of the conference representing the House minority did not see fit to sign the conference report, they worked diligently in the conference and contributed in a substantial way toward adjusting the differences between the House and Senate versions of the bill.

Mr. Speaker, the Food and Agriculture Act of 1965 is intended to maintain farm income, stabilize prices, and assure adequate supplies for consumers, to reduce surpluses, lower Government costs in farm programs, and to promote foreign trade.

The bill continues for 4 years the one-price cotton program, the feed grains program, and the wheat program. It establishes a cropland adjustment program, intended to remove 40 million acres from production. It removes the necessity for dairymen to produce surplus milk in order to preserve their individual participation in the markets for milk for fluid consumption. It continues the wool program through December 1969 with modifications to increase U.S. production. It extends for 4 years authority for leasing tobacco acreage and the exemption of certain green peanuts from marketing quotas. It authorizes lease or sale of cotton allotments within a State. It permits determination of compliance with acreage allotments through methods other than measurement. It directs the Department of Agriculture to make a study of the parity income position of farmers and report to Congress by June 30, 1966. It authorizes State agencies administering public lands to transfer acreage allotments from one farm to another in the same county. It enacts into law administrative regulations regarding reconstitution of farms. It authorizes use of projected yields in lieu of normal yields in connection with all farm programs. It authorizes use of CCC funds to purchase dairy products when needed.

I shall not attempt here to set forth in detail the provisions of all the titles of the bill. Each Member already has had the opportunity to read and study the conference report, which was printed in the RECORD, beginning on page 26391. The statement of managers on the part of the House, explaining the provisions

of the various titles, begins on page 26400. For those who may not have read the RECORD, printed copies of the report now are available to each of you.

Mr. Speaker, this bill, as has previous legislation in the field of agriculture, invests in the Secretary of Agriculture a vast assortment of discretionary power. It is necessary to do this because of the complexities involved in administering the programs for the various commodities.

We are fortunate to have a Secretary who can be trusted with power. But to achieve the purposes of this new and far-reaching legislation he will need the constant counsel of the Members of the Congress who now are enacting this legislation and must ever be watchful of its administration.

In this connection, as part of the legislative record, I caution the Secretary to be exceedingly careful in the administration of the new cropland adjustment program. The broad authority in this program, used prudently, can make a very large contribution to the production and price stability in the whole of agriculture; if used unwisely—especially with respect to cotton—it can cause serious dislocations of people and damage the total economy of many areas.

Under the cotton title of H.R. 9811, cotton production will be cut by 35 percent by most farmers. Because of the huge surplus, it is necessary to reduce production sharply. But the Secretary must realize that a further cut beyond the provisions of the cotton title, by use of cropland adjustment contracts, would be imprudent and unwise in many areas where the farm economy and the well-being of rural communities depend in a substantial way upon the services provided for agriculture.

Therefore, I would prefer that no contracts whatever be made through the cropland adjustment title in 1966, to take out additional cotton land beyond the severe acreage retirement provided in the cotton title. This would permit an assessment of the economic impact of the 35 percent reduction farmers in many areas will make next year under the cotton program. This would allow the release and reapportionment program to function. It would give the cotton allotment lease or sale provisions of this new legislation a chance to function.

If the Secretary insists upon making cropland adjustment contracts, to take out cotton acreage in 1966 in addition to that idled under the cotton program, then I suggest that as a matter of moderation and wisdom no contracts be made in any county where the acreage in 1966 will be reduced overall by more than 25 percent below the actual harvested acreage in such county in 1965.

I will say to the House that I am interested in the successful operation of the legislation now before us for final approval. I want to see the cropland adjustment program operate successfully. I here want to admonish those who will administer the cropland adjustment program that if prudence and wisdom to a very high degree do not prevail, then, it is my firm conviction that

the Congress will deny any further funds for the operation of this program beyond 1966.

Mr. Speaker, I am proud to have had a part in developing the legislation now before us. I did not get everything I wanted in the bill. Perhaps no one of us did. But this legislation overall sets up machinery which, properly administered by the dedicated people in the Department of Agriculture, will accomplish great benefits for our farmers and for the people generally who make up this great country of ours.

This bill affects all of America. Every man, woman, and child in this Nation has a great interest in the bill that we are now presenting. I think we all would agree that when the farmers of the Nation are impoverished, the Nation itself is in danger. When we have a terrific impact on agriculture, the impact is immediately felt by those in all walks of life.

I need not make an agriculture speech and tell the Members about the grand success of agriculture in this country further than to say that the farmers of this Nation have performed very magnificently. We are living in a land of great abundance, and we are told that in a few years from now we shall need to be able to use all of the food and fiber that we can harvest from our flourishing fields.

A short while ago I attended a meeting at White Sulphur Springs at which many economists told us in eloquent language that in 1975 we would need 50 million acres of additional land in production. The situation has changed. They are the same economists who recently were telling us that we need 50 million acres less than we now have in production. This bill contemplates retirement of about 40 million acres.

I hope that the House will accept the conference report. I am certain that the farmers of the Nation will be benefited and that the general economy will likewise be benefited.

Mr. LANDRUM. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Georgia.

Mr. LANDRUM. Will the gentleman explain briefly the contents of the conference report with regard to the cotton section as it relates to the House-passed bill? What is the difference between the provisions in the cotton section of the bill passed by the House and the provisions in the conference report?

Mr. COOLEY. When the bill came out of our committee, it had many objectionable features, as the gentleman well knows. Even when the bill went from the House and was sent to the committee, it was still objectionable. But in the conference we composed our differences.

The gentleman will recall that our committee and the House of Representatives authorized unlimited production of cotton for export by farmers who wished to forego all the benefits of the cotton program. I was frightened by it. I think others were frightened by that provision. The Senate provided that a man could exceed his cotton allotment by 50 percent, if he did not care to participate in the cotton program.

In the conference we agreed to do away with our provision, and we have a provision in the conference report for overplanting to the extent of 250,000 acres throughout the Nation in 1966 and, after 1966, on condition that we are able to reduce our carryover of cotton. If applications to overplant exceed 250,000 acres, the Secretary is authorized to prorate that among the applicants.

I believe we have what you might call a "muzzle" on overplanting. I do not know of anyone in my State—or anyone in Georgia—who wants to grow cotton for 21 cents or 22 cents a pound and sell on the world market, but there are some growers in the West who wanted this provision, so we went along with it, after we cut it down.

In the House bill we required a 15 percent mandatory reduction in the allotment of each farmer cooperating in the program. The Senate required a 10 percent mandatory reduction. After days and days of talking, we compromised that provision and split the difference. Now we require only a 12½ percent mandatory reduction.

The Senate had a 10-acre provision for the little grower. That likewise was changed. We had no small grower provision in the House bill. The 10 acres in California, New Mexico, Arizona, or the delta means a lot more in bales, in pounds, than it does in my State or in your State of Georgia. So we compromised that, after days and days of discussion, and we provided that the little grower with an allotment of 10 acres or less or producing 3,600 pounds or less would not be subject to the mandatory acreage cut, although he could participate in the voluntary acreage retirement under the cotton program. I believe those are the two rather substantial changes in the cotton section.

Mr. LANDRUM. I thank the gentleman. I commend the gentleman not only for his splendid efforts in bringing the bill out of his committee and managing it through the House, but also for the fine work he and his fellow conferees have done in producing this conference report.

Mr. COOLEY. I thank the gentleman very much.

Mr. ABERNETHY. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. When the bill left the House there was a provision providing for a loan of 90 percent of the average world market price, or about 21 cents for 1966, plus a 9-cent payment. The 9-cent payment, as I understand it, was taken out in conference. What provision was made for the difference in payment between the 21 cents and the normal price support?

Mr. COOLEY. Normally it would be, I believe, 21 cents plus 9.42.

Mr. ABERNETHY. That is left in?

Mr. COOLEY. Yes.

Mr. ABERNETHY. I thought it was taken out and some substitute was made for such.

The overplanting provision, according to a press release by my chairman, of October 6, was retained. The release indicated that production from overplanted

acreage could only be marketed in export. Is that correct?

Mr. COOLEY. We discussed that subject at great length. Anyone who overplants, under this bill, can only grow for export.

Mr. ABERNETHY. Could a farmer plant his normal allotment and get the normal price support on that, that is, not less than 65 percent of parity, and also overplant for export?

Mr. COOLEY. If he overplanted, having an assignment of export market acres, he would be automatically out of the program and all of his production would go to exports, without any Government subsidy, without any Government payment of any kind. If he overplanted, without an assignment of export acres, he would be subject to marketing penalties as under the current program.

Mr. ABERNETHY. I have one other question. The bill provides that a farmer with an allotment of more than 10 acres must take a 12½-percent cut if he wishes to participate in the price support program.

Mr. COOLEY. That is correct.

Mr. ABERNETHY. That leaves 87½ percent. If he plants 87½ percent of his allotment he would receive, as I understand it, under the conference report as well as the House bill, only the 21-cent price support, or 90 percent of the average world market price, and no payments?

Mr. POAGE. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Texas.

Mr. POAGE. He will receive a loan at 90 percent of the world prices or a flat 21 cents in 1966.

Mr. ABERNETHY. That is what I am speaking about.

Mr. POAGE. And then will receive a payment the minimum of which, combined with the loan, will be 28 cents for the 1966 crop, because we have the 65 percent of parity provision in here, which says that you cannot go below 65 percent of parity on the production of the permitted acres, that is the acreage a farmer can plant and still qualify as a cooperater.

Mr. ABERNETHY. When the bill left the House a farmer was compelled to idle 15 percent of his allotment in order to participate in the loan program and now it is 12½ percent. When the bill left the House, if he planted his 85 percent, he could not receive any payments except diversion payments.

Mr. COOLEY. Oh, no.

Mr. ABERNETHY. Oh, yes.

Mr. COOLEY. No. As the bill left the House, a farmer who retired 15 percent of his allotment and planted the remaining 85 percent would be eligible for loans on all cotton produced and for both price support and diversion payments. The same is true under the conference report except that the percentages are 12½ and 87½.

Mr. ABERNETHY. Let us say he planted 65 percent of his allotment and he gets a loan of 90 percent of the average world market price or thereabout. Is that right so far?

Mr. COOLEY. Yes, if he planted 65 percent of his allotment he is a cooperator and is eligible for the loan and price support and land retirement payments.

Mr. ABERNETHY. The 9-cent payment, then, is taken out of the bill we had in the House?

Mr. COOLEY. No.

Mr. ABERNETHY. I wish somebody would explain it. It certainly is not clear.

Suppose I planted 87½ percent of my allotment. What would I receive?

Mr. COOLEY. For 1966 you would get the loan at 21 cents on all cotton produced, the price-support payment now estimated at 9.42 cents a pound on the domestic allotment which is 65 percent of the farm allotment and, in addition, payment would be received on the 12½ percent diverted at a rate of about 10½ cents a pound.

Mr. ABERNETHY. Payments on the 12½ percent?

Mr. COOLEY. Yes, and the loan and other payment I have mentioned.

Mr. ABERNETHY. And there is no 9-cent payment any more?

Mr. COOLEY. Yes. The minimum price-support payment is 9 cents as in the bill as it left the House.

Mr. ABERNETHY. I am not clear, but maybe it will be made clear before this is all over.

Mr. COOLEY. The cotton title, according to figures supplied by the Department of Agriculture, will provide to all cotton farmers a total income comparable to income received for the 1964 crop. On an individual farm basis, a cooperator who reduces his acreage the minimum amount required will receive a blend price of 29½ cents per pound. For a farmer who reduces his plantings 25 percent, his blend price will be 32.67 cents per pound. If the farmer elects to comply with his domestic allotment which is 65 percent of his regular allotment his blend price will be 36.07 cents per pound. All prices would be increased by the margin that the market price exceeds the loan price.

For a small farmer having an allotment of 10 acres or less, or on which the acreage allotment times the yield is 3,600 pounds or less, the blend prices would vary according to the amount of allotted acreage the farmer decided to divert. If he elects to plant his full allotment his blend price will be 30.8 cents per pound. If he takes a 12½ percent reduction voluntarily his blend price will be 33.7 cents. If he takes a voluntary reduction of 25 percent his blend price is 37.5 cents and if he elects to divert the full 35 percent and plant only his domestic allotment his blend price is 41.7 cents and is approximately 100 percent of parity.

Blend prices are computed on the basis of a 21-cent price-support loan plus a price support payment of 9.42 cents per pound on his domestic allotment plus a diversion payment of 10½ cents per pound times the projected yield for the acreage diverted.

Mr. WHITENER. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. Yes. I yield to my colleague from North Carolina.

Mr. WHITENER. Mr. Speaker, I realize all of us know the difficult task which the chairman of the Committee on

Agriculture and his fellow committee members have had in this legislation. As one who is particularly interested in the cotton section and the cotton title, title IV, I would like to express to the chairman, my colleague from North Carolina, and to the other conferees my commendation and appreciation for the splendid job that they have done.

Mr. COOLEY. I thank the gentleman, and I want to observe that the gentleman who is now speaking represents one of the greatest textile districts in this whole country of ours. Textiles are not only important in his district but to the whole State of North Carolina where we have more textile mills and more textile workers than in any other State in the Union.

The SPEAKER. The time of the gentleman has again expired.

Mr. COOLEY. Mr. Speaker, I yield myself 2 additional minutes.

Mr. JONAS. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman.

Mr. JONAS. Are the release provisions in this conference report satisfactory to the growers?

Mr. COOLEY. The release and reapportionment?

Mr. JONAS. Yes.

Mr. COOLEY. I think so. We are depending upon a reasonable administration of the cropland adjustment program that will not wreck the release and reapportionment program. We have stated here the right of the cotton farmer to sell or lease his allotment from one farmer to another, and we have these payments in here. Heretofore these farmers have been releasing cotton in a substantial volume without any payment at all. Now they will be paid through releasing them.

Mr. JONAS. My colleague knows how important it is to the cotton producers. I merely wanted the record to show what I think is the fact, that this provision is beneficial to them.

Mr. COOLEY. It is not only important to the producer but it is important to every little cotton community in this country.

Mr. NELSEN. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman.

Mr. NELSEN. Do I understand in the feed grain section the authority granted to the Secretary will permit him to drop the loan level below what he is now permitted to drop it?

Mr. COOLEY. May I suggest to the gentleman that he address those questions to the gentleman from Texas [Mr. POAGE], who will take some time a little later on.

Mr. NELSEN. I shall withhold my questions for Mr. POAGE.

Mr. COHELAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. COHELAN. Mr. Speaker, the managers on the part of the House in their statement included comments al-

leging that in 1965 as a result of agricultural labor shortages there have been first, crop losses; second, reduction of plantings; third, administrative actions which have failed to sufficiently recognize the needs and problems of agriculture; and, fourth, there have been injuries to the consumer and the economy, as well as the farmer.

I think it should be made clear at the outset that this statement on farm labor by the managers is entirely out of order and in no way a reflection of the body's view of the actions taken by the Department of Labor. I think it more appropriate that we be guided by two very salient facts: The House in its deliberations concerning the Food and Agriculture Act did not even seriously consider or discuss the Department's and the Secretary of Labor's handling of the agricultural labor situation. This matter was never brought to a vote, no amendments were proposed, and no action was taken in the House. On the Senate side, however, the Secretary's stewardship of the farmworker program was specifically considered in a proposed amendment to the act. This amendment was subsequently stricken as a result of a rollcall vote.

Let me turn now to some of the specific charges that have been made. There has been much talk and publicity, depicting in lurid detail, crop losses resulting from a shortage of agricultural labor. We have been subjected to many pathetic tales of crops rotting in the fields for want of labor, or more particularly for want of foreign labor. The Secretary has been characterized as being intransigent and arbitrary in his refusal to issue certifications attesting to shortage of domestic workers. Such certifications by the Immigration and Naturalization Service are the basis for authorizing the importation of foreign workers.

I would like to discuss one particular crop which probably has received more publicity than any other. Some of my colleagues in California have contended that the actions of the Secretary of Labor are responsible for cutbacks in the tomato acreage and stories have appeared in the Nation's press making the point over and over again that were it not for the Secretary of Labor tomato production would be significantly higher in California. The Secretary has denied these charges, but unfortunately his side of the case has not received a fair hearing. The Information Office of the Department of Labor is no match for the propaganda mills of the many grower organizations who are not really interested in whether or not there has been a loss of crop, but are concentrating their efforts in mounting a vicious propaganda campaign to discredit the Secretary and thereby reinstate the Mexican labor program, a program which this House in its wisdom and with the concurrence of the Senate decided should be terminated. Let me set the record straight. There have been decreased tomato plantings in California this year but it is in no way related to a shortage of labor. Let me quote a statement made February 10, 1965. This statement was made not by Secretary of Labor but by Robert Holt.

Mr. Holt is the manager of the California Tomato Growers Association. In his annual report to the association, he said the following:

Recently we have reviewed the statistics showing supply and movement of canned tomatoes and tomato products. In almost all cases both the supply and the movement have increased over last year. Supply is anywhere from 13 percent down on some items to 19 percent up on others. The movement range is somewhat similar. Within the next few weeks growers will be faced with having to make a decision on whether or not to plant tomatoes. It is our considered opinion that the present indicators of supply and demand reflect that the acreage for 1965 should be cut approximately 25 percent, and that California should expect to harvest and market processed tomatoes from somewhere between 105,000 to 110,000.

And despite Mr. Holt's recommendation the actual acreage harvested in 1965 is expected to be in the neighborhood of 116,000. So much for the alleged crop loss in tomatoes.

One further word with regard to the general subject of crop losses. We are asked to believe according to the newspaper accounts and some of the statements of some of my colleagues that every crop loss occurring this year, and there have been some crop losses, is a result of labor shortages caused by the Secretary's poor administration of the Government's farm labor program. This of course is a very simple approach to what is actually a very complex situation. There are crop losses every year. Frequently unusual weather conditions, such as unseasonal frosts, or extreme heat causes crops to be lost. All of us are aware of the tragic floods affecting many parts of the country this year. In addition to the loss of lives and property, there has been some loss of crops. Market conditions at the time of harvest can affect a grower's decision whether or not it is economically feasible to harvest his crop. A grower may decide to plow his crop under, rather than harvest if the price is not right and anyone who is familiar with the agricultural industry knows that this is not an unusual occurrence. There are many factors affecting the condition of a crop and I have no intention of engaging in a long dissertation on the farmer's plight. We all know that in States other than Nevada and New Hampshire farming is the only form of legalized gambling permitted. Despite the many uncertainties affecting the agricultural industry the propaganda mills have been turning out reams of publicity attempting to convince the American public that every time there is a crop loss the Secretary of Labor is to blame.

With almost equal fervor there have been claims that consumer prices have soared as a result of labor shortages. The facts of the matter just do not support these claims. Wholesale prices in August showed a decrease in vegetable prices of 14 percent below a year ago. There were also reductions in canned fruits and vegetable items as a result of plentiful supplies from the 1965 crops. Some examples of current prices of major crops: canned tomatoes have increased from \$1.50 a case to \$1.61 but

fresh market tomatoes are down from \$4.15 a carton to \$3.03; the price of lettuce, which is highly volatile was at \$3.38 a carton this August compared to \$3.25 last year, but in July it was \$2.08 compared to \$4.38 last year; a quart of strawberries sold for exactly the same price—\$0.75 this year as it did last year in August; melons have increased slightly from \$3.40 to \$3.95 in August; but oranges have dropped significantly from \$5.06 in 1964 to \$3.07 this year; the price of a crate of cantaloups has fluctuated greatly over the course of the year, in August it was up to \$6.25 compared to \$5.75 last year; however, the month before it was only \$7.50 compared to \$8.19 in July of 1964. In the last example grapes were selling in August of last year for \$4.06 compared to \$3.59 this August. The crops I have selected were those in which foreign worker employment was significant last year. As you can see there has not been any ballooning of prices, and if we look at all fruit and vegetable prices we would find that there actually has been a decrease. The last point I would like to discuss now is the Secretary's administrative actions. The managers claim that the needs and problems of agriculture have not been sufficiently recognized. In my opinion nothing could be further from the truth. I will not burden you with a description of the many special programs initiated by the Labor Department to ease the transition from reliance on farm labor to full utilization of domestic agricultural workers. In terminating Public Law 78 the Congress gave to the Secretary a clear mandate that he use the full authority of his office to promote the employment of domestic workers and that he limit to the greatest possible extent, the importation of foreign agricultural labor. I think the record shows clearly that the Secretary has administered the farm labor program in a fair and reasonable manner. In those instances where sufficient numbers of domestic workers have not been available to harvest the crops, Secretary Wirtz has recognized these emergency situations and certified to the need for foreign agricultural workers. He has acted in a responsible manner and administered the program so that domestic workers have been fully protected from any possible adverse effect resulting from the admission of foreign labor.

I think also that this House should be made aware of the tremendous pressures that have been exerted upon the Secretary. He has been more than reasonable despite the abuse and vilification to which he has been subjected. Let me cite a specific example: New England growers predicted that their apple crop would be lost unless 1,400 Canadian workers were admitted. After carefully reviewing and considering information supplied by these growers, the Secretary certified to the need for 1,075 workers in the various Northeast States. The harvest is now virtually completed and yet only 691 Canadian workers were actually employed. In Massachusetts, growers claimed they needed 500 foreign workers. The Secretary, based on the data supplied to him by these growers, certified

to the need for 350 workers, but only 179 Canadian workers were actually employed. This same pattern was observed in most of the other northeastern apple-growing States. Maine requested 341 workers, actually employed 222; New Hampshire requested 500 workers, actually employed 215; Rhode Island requested 30 workers, actually employed 25; Vermont requested 55 workers, actually employed 50.

In closing I would like to say that as Secretary of Labor, Mr. Wirtz has continued and reinforced the policies, initiated by his predecessors in that office, designed to prevent the importation of foreign workers from adversely affecting the wages and working conditions of the domestic farm work force. He has been reasonable and he has been fair. The language in the statement by the managers on the part of the House concerning farm labor is gratuitous. I think it should be made clear that it does not reflect the sentiment of this body.

Mr. COOLEY. I yield 10 minutes to the gentleman from Pennsylvania [Mr. DAGUE].

Mr. DAGUE. Mr. Speaker, may I preface my remarks by saying that my statement is certainly no criticism of the leadership of the conference. I think we had some of the ablest leadership manifested in this conference that we have enjoyed at any time, in the hands of the chairman and the ranking majority member.

But now that the conference on H.R. 9811 has been completed, I would like to take a few minutes to explain why I did not choose either to sign the conference report, or vote for it.

First let me say that this conference committee has worked very hard for the past 2 weeks on many detailed and complex provisions. I might add that as far as the House conferees are concerned, I think the House can be assured that the position of this body was well represented. The fact that the conference committee worked diligently, however, does not alter the fact that what they worked on, was not, in my opinion, in the best long-range interest of farmers, consumers, and taxpayers.

There are two basic reasons why I feel that this legislation is not desirable. First, because it commits our farm program even further to the principle that direct Government payments should be a cornerstone of farm policy. We have, in effect, in this bill, a large part of what is known as the Brannan plan. With cotton being added to the list of crops which receive direct cash payments from the Treasury, we have moved another giant step toward the day when farmers will be absolutely dependent on Government payments for their economic survival. This trend, of course, has been developing during the past several years, and in 1964 Government payments accounted for nearly 20 percent of realized net farm income. In 1965 this percentage will most certainly be at least 20 percent. In 1966 and subsequent years this percentage is surely going to grow under the provisions of H.R. 9811. I am convinced that this trend is not in the best interest of American agriculture, and I

am afraid that some day farmers will have to face an unhappy reckoning when they find that their continually shrinking numbers have resulted in a Congress no longer oriented to rural interests and the high costs of farm programs.

The second major reason that I cannot support H.R. 9811 is that I believe it will prove to be most costly and ineffective. Generally speaking, the House bill increased the costs of the programs originally proposed by the administration. For example: The House action in making the extra 50-cent payments from the U.S. Treasury on the domestic production of wheat added another \$200 million a year to the original administration bill.

The conference committee bill has in many instances increased the costs of the House bill by either adopting more expensive amendments of the other body or by compromising with the conferees from the other body on provisions of their bill which were more expensive. For example: The conference committee adopted cotton provisions dealing with overplanted acreage, small farm minimums, and minimum price supports which, in my opinion, will add approximately another \$100 million a year to the cost of the program as proposed by the House.

In Wednesday night's Washington Star there was a wire story reporting the progress of the conference committee. In this story, spokesmen for the U.S. Department of Agriculture are quoted as saying "this measure should cut between \$300 and \$400 million from the more than \$4 billion now spent annually on crop control programs."

Mr. Speaker, I just do not think this prediction will turn out to be true.

Another very expensive part of this legislation, which I humbly predict will turn out to be the most expensive farm bill ever passed, is the cropland adjustment title. This program calls for the retirement of some 40 million acres of farmland during the next 4 years. Under the terms of the conference bill, up to \$9 billion is authorized for making payments under this program during the life of all contracts which can run for as long as 10 years. These enormous expenditures for this new program will, of course, be in addition to the cost of present programs.

While this program has been described as one to save money on annual commodity expenditures, I feel that in the long run it will turn out to be an additional cost over and above the cost of the commodity programs involved in this bill. I predict also that the commodity programs for cotton, feed grains, and wheat during the next 4-year period will cost taxpayers more than has been the case in any previous 4-year period in time. Why is this so, one may legitimately ask. The main reason, I feel, is that the programs themselves will not be effective instruments in holding down the continuing increases in production that American agriculture is capable of generating.

The gentleman from North Carolina [Mr. COOLEY] and the gentleman from Texas [Mr. POAGE] have set forth the

major provisions of this legislation. I would like to add a few comments on some of the major controversial provisions in this legislation and how these issues were settled.

The dairy title of H.R. 9811 deals with the establishment of a class I dairymen's base plan. This means that the provisions in the House bill leaving producer-handlers' legal status unchanged will be in effect during the life of the class I plan. The adoption of the House language also means that individual dairy farmers will vote in any referendum held on the class I plan. These questions were the major differences between the House and the other body in regard to dairy legislation.

On wool the House prevailed in its insistence on the deletion of authority for graduated payments to small wool producers, while accepting the other body's formula for establishing a support level during the next 4 years.

On feed grains the conference committee gives greater discretion to the Secretary of Agriculture in the administration of the feed grain program. The conference bill allows him to lower the loan price on corn below 65 percent of parity, the floor provided by the House bill. Deleted by the conference committee was the other body's amendment authorizing an alternative feed grain program which would have placed heavy emphasis on diversion payments to participating farmers.

On cotton the major issues were the degree of mandatory reduction, special provisions for small farms, the degree of permitted overplanting, and total price support level.

It occurs to me as one who claims to be no expert on cotton that this program seems to be chasing itself. While some cotton farmers will be paid not to grow cotton in order to reduce the near-record surplus, others will be permitted to grow an additional 250,000 acres a year. While the production from this additional acreage is earmarked for export markets, there seems to be little question that its existence will only negate the effectiveness of this program. Other cotton provisions are similarly written in such a manner as to not really do the job of reducing production. Therefore, in my opinion, it is unlikely that any significant results will be forthcoming from the new cotton program which most likely will cost as much or more than the present extravagant program.

On wheat the conferees agreed to delete the provision which was in the other body's bill dealing with an escalated bread tax. In reaching this agreement the conferees added another 7 cents per bushel to the taxpayers' cost of subsidizing domestic wheat production. Let us remember that the present wheat program is costing taxpayers something like \$1.2 billion annually in addition to the \$375 million spent each year by consumers for domestic wheat certificates which wheat millers and bakers must purchase in order to process wheat. These taxpayer costs, I predict, will be increased at least \$235 million a year more by H.R. 9811.

On cropland adjustment the conferees have set up a program which allows the Secretary of Agriculture to commit \$225 million per year in each year of the signup period. This means that farmers signing up under this program might run up the annual cost of this program some \$900 million per year. If all the contracts signed were 10-year contracts, the total obligation of taxpayers by 1980, when this program ends, could be as high as \$9 billion. Of course, no one expects all these contracts to be for 10 years, but even if only half of them were for 10 years, the total costs could run to \$7.5 billion.

On rice the provisions allowing diversion payments to rice farmers during the next 2 years were adopted. These costs again represent an additional cost burden on the taxpayer.

Finally, Mr. Speaker, the conference committee has added to the list of commodities involved in Federal farm programs one which apparently has escaped Federal assistance and management. It is one which I had never heard of before. I refer to that everyday commodity known to everyone as plantago ovato, a botanic cousin of what is known in the West as Indian wheat grass. Under the cotton, wheat, and feed grains sections of this bill farmers across America will be eligible to produce plantago ovato on acreage diverted from these crops, provided they accept a reduction in the diversion payments to which they would otherwise be entitled. If past patterns prevail, this will be just the beginning for plantago ovato's participation in Federal farm programs. The complexities, the controls, the subsidies, and the red-tape generated by the Department of Agriculture most likely will now engulf this new and hitherto unknown and unregulated commodity.

And what a strange twist of fate this is. Plantago ovato is a plant from which chemists and scientists are able to produce birth control pills. Thus, in a bill which is distinctive for its lack of control of the public purse, a crop used to control birth in humans ends up being controlled by humans themselves.

Mr. COOLEY. Mr. Speaker, I yield such time as he may desire to the gentleman from Texas [Mr. MAHON].

Mr. MAHON. Mr. Speaker, I wish to record my opposition to the conference report, especially as it applies to the cotton section.

Mr. COOLEY. Mr. Speaker, I yield such time as he may desire to the gentleman from Iowa [Mr. GREIGG].

Mr. GREIGG. Mr. Speaker, I rise in support of the conference report.

Mr. Speaker, today, rural America received a substantial boost. This comes as a result of the action taken by this body in accepting the agriculture conference report. While this measure directly affects the agricultural economy, it very markedly affects every facet and segment of the total American economy. As a member of the House Agriculture Committee, I can report to you that the administration sought a 2-year farm bill. I am pleased and proud that the judgment of the committee prevailed, as we now have approved a 4-year farm program. As a result of this 4-year pro-

gram, our farmers can place into action some concrete plans for the future. For a long period of time, the American farmer has been caught in a severe cost-price squeeze. It is indeed imperative that the American farmer realize improved farm income. I firmly believe that, with the passage of this measure, the farmers in my area applaud the actions of the majority of the Members of this body who, by their vote in support of this program, indicated a real concern for rural America.

In representing my constituents, my concern has been for the continuance of an effective feed grains program. This program has been most beneficial to my congressional district in northwest Iowa, and throughout all of Iowa. One of the moving purposes behind my candidacy for Congress was the relationship that we, in the Midwest and particularly northwest Iowa, were in great need of representation which accepted the principle of the need for such forward looking programs as the feed grains program. However, I want to make it very clear that, while the subject of feed grains is so essential to my district, I have come to appreciate the real concerns of all of the many and varied agricultural commodities included in this measure. Mr. Speaker, the present farm bill is no panacea of perfection. We have a long way to go. But this type of program has made it possible for higher prices for our commodities and has been remarkably effective in the reduction of surpluses. I wish to commend the very able and distinguished chairman of the House Agriculture Committee, the gentleman from North Carolina [Mr. HAROLD COOLEY], and my very thorough and dedicated subcommittee chairman, the gentleman from Texas [Mr. ROBERT POAGE], for their masterful leadership in directing this essential agricultural measure.

I wish, at this time, to bring to the attention of my colleagues some very meaningful statistics as they relate to the feed grains program.

The feed grain program has been outstandingly successful in reducing surpluses, increasing farm income, and promoting stability in the livestock and feed grain sector of agriculture during the past 4 years.

Stocks of feed grains at the end of the 1964 crop marketing season will be down to 55 million tons, the smallest since 1957 and more than one-third below the peak level of 85 million tons at the end of the 1960 crop season. The significance of this reduction becomes even more meaningful when considered against the continuing yearly buildup in the surplus during the 1961-62 period.

The feed grain program has enabled producers to realize \$3 billion more for their crops than at the 1960 level. Overall net farm income in 1965 is now estimated at \$13.5 billion, the highest since 1953. The feed grain program is contributing significantly to improved income level.

Farm corn prices averaged \$1.16 per bushel in 1964, higher than at any time since the mid-1950's. Prices, thus far, in 1965 have generally been above this 1964 level. This price improvement is in sharp contrast to the downward di-

rection of feed grain prices during the period prior to the program. In 1960, farm corn prices averaged less than \$1 per bushel, the lowest in nearly 20 years. In November of that year, prices in my home State of Iowa dropped to 75 cents per bushel.

The improved feed grain supply situation is a tremendous stabilizer for the livestock and poultry industry which provides more than half of yearly agricultural income. A continuation into the 1960's of the feed grain production and price trend in the 1950's would have had a catastrophic impact on livestock and poultry output and prices.

The achievement in working the feed grain surplus down is even more remarkable in light of the yield increases registered during the past few years. The corn yield for the 1965 crop is now estimated at more than 68 bushels per acre, nearly 25 percent above the 1960 figure of 54.5 bushels. This means with one-fourth less acreage production would equal the 1960 level when more than 200 million bushels were added to the surplus.

Despite increased yields, the program has made substantial inroads in the surplus through a better balance between production and needs. During the first 4 years of the program, more than 1 million farmers each year have participated to hold more than 110 million acres out of production and in conservation uses.

The magnitude of this acreage is readily apparent in that it is just shy of the total yearly feed grain plantings. If this acreage had been in production during the past 4 years, as it would have under the old program, the economic distress in the feed grain and livestock sectors of agriculture would have been widespread.

Lower feed grain prices and increasing supplies would have been a powerful stimulus for higher livestock and poultry production pressuring prices for commodities to lower and lower levels. A feed oversupply means cheap feed. Cheap feed means ruinous prices for livestock and livestock products.

Even though livestock feeding would have increased, the Government accumulation of surplus grain would have gone to new record levels each year with mounting costs and unbelievable storage problems. The feed grain surplus instead of being down more than one-third from the peak 85-million-ton level as it is, would not be at least 50 to 60 percent higher. While costs under the feed grain program have been high, the ultimate Government costs because of a higher surplus level under a continuation of the old program would have been at least \$2 billion more.

The popularity of the feed grain program among farmers continues to increase. This year, nearly 1.5 million farmers, a record number, have signed up to hold more than 35 million acres out of production also a record in terms of acreage. The program has enabled farmers to achieve an improved feed grain supply-demand relationship while giving their incomes a boost.

The alternative to the feed grain program is a return to the program of the 1950's with no provision for diverting

acreage from production. Prices would be supported between 50 and 90 percent of parity, but at a level which would not result in increasing CCC corn stocks. This, in effect, would mean the minimum level of about 75 to 80 cents per bushel for corn and correspondingly low prices for other feed grains. The increased yields and land available for production would mean that the gains of the past 4 years in reducing feed grain stocks would be lost in probably only 2 years. Returns from feed grain would be down, and low feed prices would eventually spread as a disruptive influence on the livestock-dairy-poultry economy.

Following are two tables for the RECORD on national participation in the feed grain program and on U.S. production and carryover of feed grains:

Summary of feed grain program

	Farms participating	Feed grain acreage on participating farms	Diverted acres
1961.....	1,146,388	68,100,000	25,200,000
1962.....	1,249,633	72,600,000	28,200,000
1963.....	1,194,665	73,500,000	24,500,000
1964.....	1,243,217	78,000,000	32,400,000
1965.....	1,482,583	86,627,300	36,576,800

¹ Based on signup intentions.

(In millions of tons)

Marketing year beginning—	Production and carryover of feed grains	
	Carryover	Production
1960.....	74.6	155.6
1961.....	84.7	140.6
1962.....	71.8	142.9
1963.....	63.9	156.4
1964.....	68.7	136.0
1965.....	55.0	149.9

Iowa, the heart of the Nation's Corn Belt, has an impressive record of participation in the feed grain programs. From 1961 through 1965, the programs have increased in popularity each year. In 1964, for instance, those with base acreage ranging from 31 to 300 acres had the major share of enrollment.

Program enrollment in Iowa steadily increased from 108,730 signed up in 1961 to 123,555 enrolled for this year's program. By crop years, the percentage of all Iowa feed grain farms signed up read like this: 56.7, 58.3, 59.5, 63, and 65 percent.

Equally impressive was the amount of the State's 13.5 million acres of total feed grain base represented on enrolled farms. This percentage by years from 1961 through 1965 increased in this order: 64.2, 67.3, 69.8, 71, and 74 percent.

An amazing 91 percent of the base acreage among participants was on farms of from 31 through 300 acres in 1964. Smaller base acreage farms with 1 to 31 acres represented only 2.1 percent. Farms of 301 acres or more represented the balance.

Acreage diversion by participating farms was greatest in the 31 through 300 acre category. They had 3,146,114 acres diverted. Those with 30 acres or less diverted a total of 211,727 acres, while

those with 301 acres or more diverted a total of 200,386 acres.

In summary, Iowa's commercial family-type farms of 31 to 300 acres, which depend on production of grain as one of their major sources of income, had the largest enrollment, the most base acreage, and the preponderant share of the acreage diversion in their State during the 1964 feed grain program.

What does this program participation mean in Iowa, which is the Nation's No. 1 corn-producing State?

Yield in 1965 is indicated at a new record high of 83 bushels per acre—and that is a jump of nearly 20 percent over the 1958–62 average of 69.4 bushels per acre. With the high degree of participation and acreage diversion in the State this year, production is indicated at 838 million bushels of corn—up only 13 percent from the 1958–62 average production of 743 million bushels. In other words, the acreage diverted under the feed grain program applied a brake which held down production by nearly 100 million bushels despite the phenomenal new yields indicated for the State this crop year. If the diverted acres had been planted, the State's production this year obviously would have been tremendously greater.

Mr. Speaker, in summary, I want my colleagues to know that I have found it to be an honor to serve on the House Agriculture Committee and to serve in the 89th Congress which, by its actions today, boosts the American farmer and gives new life to rural America.

Mr. COOLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin [Mr. STALBAUM].

Mr. STALBAUM. Mr. Speaker, I want to take this time to commend the conferees and the chairman of the Committee on Agriculture, Mr. COOLEY, for the fine job they have done in legislation in the field of dairying. We recognize that dairying is found in each of the 50 States, the only commodity that is so found. Dairy legislation has been conspicuous by its absence in the past, but this year the farm bill carries several items that are good as far as dairying is concerned. It is a tribute to our leaders that these were included.

We have included a class I dairy base plan which was accepted as presented by the House. It was better than the version of the other body because ours included the right of manufactured-milk handlers to set up their own market orders. In addition to this, the conferees on the part of the House in their wisdom have accepted two amendments which the Senate put in the farm bill, one an antidumping feature which strengthens our class I plans, which is highly desirable and badly needed.

The second provision, which I feel has not been given the attention in the House it should have, is one which will permit the Commodity Credit Corporation to sell dairy products even when such dairy products are not labeled as being in surplus. Many of my friends in the dairy cooperatives and the dairy marketing field believe this may be one of the most effective items and one of the major pieces of legislation we have passed for

dairying in many, many years in the Congress.

I feel that dairying is well taken care of in the dairy legislation here. This type of legislation is not expensive, it is not going to add to the cost of the farm program; but class I dairy plans and the right of Commodity Credit to sell dairy products which are not in surplus are two items which could go a long way in helping solve the dairy problems of the Nation.

Again I commend the committee chairman, Mr. COOLEY, for the fine job he did in giving leadership in this matter and the chairman of the Dairy Subcommittee, Mr. HAGEN of California, who did so much in getting this good legislation incorporated into the farm bill.

Mr. COOLEY. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. HAGEN].

Mr. HAGEN of California. Mr. Speaker, I would just like to clarify two or three points. No. 1, on the issue of the treatment of producer handlers, we accepted the House version which says this legislation does not adversely affect him and this is what the producer handlers of the country wanted.

In addition there are a couple of other points I believe the gentleman from Texas [Mr. POAGE], a member of our committee, wants to clarify for the Record; is that correct?

Mr. POAGE. Mr. Speaker, if the gentleman will yield, I think it might be well if we clarified that for the Record. I think there is no question about what the committee understood and what the conferees intended.

But there are those of us who have questions and I think we might clarify for the Record the meaning of new producers. We make provisions for new producers and the question arises: Is a new producer confined or is that term "new producer" confined just to those who never produced any milk before in their lives or does it include all of those who produced milk but who have not participated in the particular market in which it is being produced?

Mr. HAGEN of California. Well, it would include all of those who were not in that market but were seeking entry to it. It might be a dairy farmer who had been delivering to another market where a quota plan is adopted. He could get a quota in a new area only through an allocation of an increase in class I sales, allocation of basis forfeited, or by transfer from producers who have quotas in that new order area.

Mr. POAGE. Then it would be fair to say it includes both?

Mr. HAGEN of California. That is correct.

Mr. POAGE. In the second place at the present time milk is sold in Federal order markets from plants which are regulated under other Federal orders and from unregulated plants. This milk is produced by dairy farmers who are not "producers" under the order regulating milk in the receiving market. Is it intended that this milk share in whole or in part in the class I sales of the receiving market adopting a class I base plan even

though such sharing displaces producer quota milk in class I sales?

Mr. HAGEN of California. The answer is "No." Producer quota milk will receive a priority assignment to the class I sales in a market to the extent such milk is available for such sales. Milk received from other sources whether from other Federal order plants or from unregulated plants will be assigned to class I sales only to the extent that such sales exceed producer quota milk.

Mr. POAGE. I thank the gentleman very much. I think it is obvious that the program could not work unless the answer were "no." It was intended to be "no" all the time.

Mr. STALBAUM. Mr. Speaker, will the gentleman yield?

Mr. HAGEN of California. I yield to the gentleman.

Mr. STALBAUM. Is it not true in the establishment of the class I base plan that Congress intended to give considerable flexibility to various markets in setting up such plans as they felt would be most effective in their own market, and most designed to meet their own needs and that in passing this legislation we are not attempting to establish a pattern that must apply all over the United States but rather we are setting up enabling legislation to allow each market to meet these problems as they best see fit?

Mr. HAGEN of California. That is absolutely correct. I might comment that this bill in the dairy section should reduce the cost of the dairy program to the Federal Government depending upon the extent to which these order areas vote to use this tool.

Mr. LAIRD. Mr. Speaker, will the gentleman yield?

Mr. HAGEN of California. I yield to the gentleman.

Mr. LAIRD. I would like to ask the chairman of the Dairy Subcommittee a question regarding the use and purchase of dairy products not in surplus. At the present time dairy products purchased under section 32 funds must be used.

Mr. HAGEN of California. I will say that surplus is not the proper word. It is CCC inventory. They may be surplus although not in the inventory and this provision is directed to acquisition and use of noninventory stocks.

Mr. LAIRD. Yes, they might be surplus. But if the Department of Agriculture wanted to put cheese, let us say, in the school lunch program, using this particular section, there would have to be additional language added to this conference report to provide for the packaging, reprocessing, transportation, and handling and other charges. I think the gentleman realizes in the school lunch program, loaf cheese is used and has been used most successfully in this program throughout the United States. It has been a very popular commodity in the school lunch program.

This requires repackaging and processing of the cheese that is purchased under the CCC purchase program. That language was not included in the conference report. Does this cause the difficulty that the Department of Agriculture says that it causes?

Mr. HAGEN of California. The Department is always quite cautious. They thought that additional language was necessary to accomplish usage with added costs of repackaging and so forth. The conferees thought the Department had the authority without the added language and that is our position.

Mr. LAIRD. The Department says that they cannot put the product into the school lunch program without that language.

Mr. HAGEN of California. It is my recollection that the conferees did not think it was necessary. That is to say under our language they could do everything necessary to purchase milk and milk products and put them into the hands of donees with the Department assuming all or any part of costs of acquisition, packaging and so forth.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. HAGEN of California. I yield to the gentleman from North Carolina.

Mr. COOLEY. We believe the Department has all the authority that the Department needs to deal with this thing.

Mr. HAGEN of California. My view is that previously stated. The authority exists for assumption of these costs regardless of the product's destination.

Mr. LAIRD. The position of the Department of Agriculture is somewhat different. The Department has advised me that the language is necessary.

Mr. COOLEY. That must be for overseas packaging, not for domestic use.

Mr. LAIRD. This language was for both overseas use and for domestic use, and it was suggested to the conferees. The language suggested by the Department appears on page 85 of the conference committee print.

Mr. COOLEY. We were assured that they needed no authority to deal with this problem in the domestic market.

Mr. LAIRD. Is it the intent of the conferees that the processing and packaging costs may be taken?

Mr. COOLEY. Yes, domestically, but not for export.

Mr. LAIRD. For the domestic market, processing, packaging, and transportation costs can be taken?

Mr. COOLEY. That is correct.

Mr. Speaker, I yield to the gentleman from North Dakota [Mr. ANDREWS] such time as he might require.

Mr. ANDREWS of North Dakota. Mr. Speaker, I rise in support of the conference report.

The House will today approve a farm bill historic because it is the first time such legislation has been enacted for a 4-year period. This omnibus farm bill has many details in it that are somewhat different from the regulations under which our farmers have been operating in years past. While definite details will have to await administrative determinations and will be in the hands of your local ASCS committee shortly, I felt our farmers would be interested now in some of the provisions of the program.

At the beginning of this session, Senator MILTON YOUNG and I introduced identical farm bills in the House and Senate. While the final version of the administration bill does not include all

of the features we advocated, it does include the chief feature—full parity for wheat produced for domestic markets.

The House Committee on Agriculture went part way in establishing many of the principles that I had introduced in our bill. Senator YOUNG in the Senate was able to amend the administration bill to make it conform even more closely to our desires and to the needs of North Dakotans. He held many of these gains in the conference committee against unrelenting pressure from the administration which was determined to establish lower prices, principally for wheat, than we were willing to accept. This illustrates once again the wisdom of a legislative process where give-and-take results in the final bill—in this case, a bill much more acceptable than the program originally sponsored by the administration.

One of the keenest disappointments in the bill, I think, is that part of the certificates will be paid by the U.S. Treasury rather than by those who use the wheat. This could endanger farm programs in the future since we have had an almost constant fight with the Bureau of the Budget and the administration to gain funds for such programs as the Soil Conservation Service, REA loans, and other programs vital to farmers. If the Federal Government continues to expand, more and more agencies will be competing with the Department of Agriculture for a share of your tax dollars. Some experts see this as the beginning of the end for farm programs. It was interesting to note that many of those who cried "bread tax" during the debate were the very same ones who for years have demanded the end of all farm programs.

Now, what is in the major sections of the bill affecting North Dakotans?

FEED GRAINS

The feed grains section is extended without major change for 4 more years, including provisions for price support loans, purchases, and in-kind payments to program participants at about the same levels as recent years. Participants, by diverting acreage from feed grain products to conservation use, will receive, as in the past, payments in kind to help maintain income.

The main differences between the new program and the old one are: first, normal production is to be figured on the basis of projected rather than base period yields; and, second, soybeans may be planted on permitted feed grain acres—at the discretion of the Department of Agriculture—and the producer will earn the same diversion and price support payments as if he had planted feed grain.

WHEAT

The bill will furnish a blended price support of \$1.84½ a bushel. This is roughly a 15-cent-per-bushel increase compared with what cooperating farmers are now receiving. The administration, however, turned down a clause introduced by Senator YOUNG which would have tied any increase in the price of bread to an increase in returns to the wheat farmer.

In effect, here is what the wheat section of the bill means to farmers in North Dakota: full parity for domestic food use of wheat—500 million bushels; the parity of July 1—\$2.57—will be used in 1966 price support calculations; loan for the 1966 crop is to be \$1.25 a bushel, leaving a difference between loan and parity of \$1.32. The millers will pay 75 cents of this difference and the rest is to be paid by the U.S. Treasury.

The bill now provides a minimum mandatory price support for 1966. It further provides that this same level of blended price supports will be guaranteed the remaining 3 years of the program. This constitutes an important change in the administration approach as passed by the House Committee on Agriculture which, while giving considerable assurance to providing a \$1.81 for 1966, did not give a firm guarantee of this price and gave the Secretary broad authority to reduce the blended price level in future years.

PROJECTED NORMAL PRODUCTION

You may have noted that I used the term "projected yield" rather than normal yields. As a matter of practical application, the State and the county yields will be somewhat higher than they were under the normal yield. Under the old program, we used to take an average of the last 5 years available and make adjustments for weather and other factors and come up with our base normal yield. Now this yield will be based on projected figures and since there is an upward trend in yields, it should be somewhat higher than last year. For instance, North Dakota's yield last year in wheat, our biggest crop, was 21.6 bushels. Under the projected yield approach, it will come out to be about 23.7 bushels for the State.

In applying this to the individual farm, county committees will be setting farm yields by one of two methods: First, the farmer's proven yield; and, second, the assigned projected yield where no proven yield is available.

In the first instance, where the farmer has a proven yield—which is only about 10 percent of the farms in North Dakota—the committee has a starting point. They may or may not increase these yields, but in any case the farmer should not get less than his proven yield. In the second instance, where the farmer has no proven yield, the committee will consider the productivity of the land, the farmer's present operation, and to the best of their ability try to establish a yield which will be comparable. This setting of yields is a very complex and important procedure, and the farmer should be sure to get all the information possible from his county ASCS committee.

CCC RESALE PRICE

One of the disappointing features of the law is that it fails to increase the CCC resale price on wheat to 115 percent of support prices. The President in his farm message of February 4 tended to support our position on this matter and every major farm organization agreed on the value of some increase in the resale formula of commodity stocks

to protect farmers against Government competition, but the Secretary of Agriculture was viciously opposed.

I believe this could have meant an average of 10 cents a bushel more to the farmers of North Dakota over the price we now receive for our grain, and we will keep on trying for such a change in later legislation.

CROPLAND ADJUSTMENT PROGRAM

The Department of Agriculture regards this program as the most important part of the farm bill, and it is perhaps significant that it was one of the least controversial parts of the bill in passage. This section of the law is intended to take 40 million crop acres out of production by 1969.

City dwellers will be pleased with the provision that offers extra payments to farmers who manage idled acres for wildlife habitat and allow hunters to use the land without charge for recreational purposes. Maximum payment per acre under this program is not to exceed 40 percent of the annual market value of the crop that would have been produced on the land, as determined by the Secretary of Agriculture. Farmers signing the 5- to 10-year contracts in 1966 will be required to put all of their allotment or base of at least one surplus crop in the program. During the next 3 years of the sign-up this percentage is left to the discretion of the Secretary.

Prior ownership of the land for at least 3 years is required in order to qualify for the cropland adjustment program, and the Secretary is required to consider the economic impact of this acreage retirement on counties and local communities. In this regard the Secretary has stated that it will be his intention to limit the acreage contracted in any year insofar as a base or allotment crop is concerned to not more than 10 percent of the allotment or base acreage for that crop in the community. He added that the acreage contracted over the life of the program would not be more than 25 percent of the base allotment for the crop for the county unless responsible representatives of the county government and the ASCS committee for the county agree that more than 25 percent could be contracted without adversely affecting the economy of the county.

There is no automatic acceptance of land now in the soil bank under this program and farmers will have to contact their county ASCS office to get details in their area.

COST OF THE PROGRAM

While the cost of the entire farm program has not been reduced as much as the Department of Agriculture wanted, indications are that it will cost less than the 1965 program. While I have found that cost figures on a plan of this magnitude can be controversial and confusing, it is estimated by the U.S. Department of Agriculture that this program will cost about \$100 million less than the program in effect during the current crop year.

CONCLUSION

I think it is significant to note that this bill is the result of a nonpartisan approach. Every Member, Republican

and Democrat alike, from our six-State upper Midwest area voted for this bill. Farmers, individually and through their farm organizations, along with representatives from the States in our area, worked hard to impress upon Congress the importance of meaningful and sound farm legislation.

Most farmers will feel as I do that this is a fairly good farm bill.

However, I also believe this farm bill still ignores by far the most important future goal of American agriculture—a stepped-up program of using our farm products to prevent hunger in a starving world. We are spending \$50 billion a year or more for armaments to promote freedom in the world. Other countries are able to compete with us in saturating the world with military might, but no other nation can match the American farmer's ability to produce food—and this should be regarded as our greatest weapon in the war for freedom.

Mr. COOLEY. Mr. Speaker, I yield to the gentleman from Texas [Mr. PICKLE] such time as he may require.

Mr. PICKLE. Mr. Speaker, I express myself in favor of this measure and compliment the conferees on the fine job that they have done.

Mr. Speaker, finding a perfect solution to the farm problem is practically impossible. At least, I know this is true with respect to cotton, which is the principal agricultural product in my district. But I believe that the conferees have come out with as good a solution as we could expect under the circumstances.

The life blood of the cotton industry in my district has been the release and reapportionment program. If this had been weakened materially, it would have hurt thousands upon thousands of the farmers throughout the Nation—farmers who sincerely farm for the purpose of making a living by growing cotton. Although I think that basically the sale and lease aspect of this bill is a means to ultimately weaken the release and reapportionment program, I do recognize that we must have some means of controlling production.

This version is much better, though, than the original version which passed the House, because this allows sale and lease within a county, if approved by a referendum, and does not allow it to go out of State. And although no farmer wants a mandatory retirement, I would think that most of the farmers would agree that a 12½-percent reduction is a reasonable compromise, particularly when the loan is still based on 90 percent of parity, and in addition the co-operator would receive approximately 9.42 cents for the subsidy. It would seem that a reasonable guarantee of the subsidy is provided for since this amount is tied to parity.

I would especially like to pay compliments to this committee and the fine staff which has worked so hard on this bill. In my opinion, Congressman W. R. POAGE is the most knowledgeable man in America today on agricultural matters, and I am most mindful that the farmers of Texas owe to him, and to the splendid gentleman from Wichita Falls, the Honorable GRAHAM PURCELL, another

member of the conferees, their thanks for the countless hours of work they have put into making this measure acceptable. I daresay that our State is more fortunate than any in having these two men as members of the Agriculture Conference Committee, and I know for a fact that no one is held in higher esteem in the Congress than these two men.

Mr. Speaker, I would also like to express my appreciation to the farmers of the Old Cotton Belt Association, whose advice and counsel I have sought, under the leadership of Emery Blackman, J. V. Stiles, Henry Pumphrey, George Bohlen, and Mr. Julius Wittliff, one of the most lovable and fairminded men in my district.

It was this association that invited me to meet with a group of some 75 farmers recently and helped me to better understand the problems of the cotton farmer of my district. Working with Fleetwood Richards, a knowledgeable and dedicated public servant, I believe that we have all come together with a bill that is fairest to the greatest number. Though any Texas cotton farmer wants to have "40-cent cotton and 10-cent beer," to use an early frontier saying, we know this is not possible today—but I do think that this 4-year program is the best that we could have agreed upon under the circumstances.

Mr. COOLEY. Mr. Speaker, I yield to the gentleman from South Dakota [Mr. BERRY] such time as he may require.

Mr. BERRY. Mr. Speaker, I thank the chairman. I rise in support of the conference report.

Mr. Speaker, I rise in support of the conference report on H.R. 9811 to be known as the Food and Agriculture Act of 1965.

I am supporting this legislation because, for a change, it increases farm income. While it is an omnibus bill and covers all supported agricultural commodities, it is nevertheless a vast improvement over some of the present programs.

First, with regard to wheat. The bill formulates a combined price support on wheat of \$1.84½ a bushel. This is roughly 15 cents per bushel more than the price cooperators are receiving at the present time. I opposed, and I voted against, the wheat bill last year for the sole reason that it materially reduced the support price of wheat. Mr. Speaker, I have never voted to reduce farm income and I hope I never shall. Every vote I have cast has been for an improvement in the farm income situation. There is absolutely no reason why this support rate schedule could not have been passed last year instead of the poverty bill rate that was passed.

In computing the \$1.84½ a bushel, it is arrived at by paying full parity for domestic food use of wheat, namely for 500 million bushels. The full parity price as of July 1 will be used in the 1966 price-support calculation which is \$2.57. The loan price for the 1966 crop will remain at its present level of \$1.25 per bushel or a difference between the loan price and the parity price of \$1.32. Of this the

millers will pay 75 cents and the balance of 57 cents will be paid out of the U.S. Treasury.

One discouraging feature in the wheat program is the fact that the conference committee failed to be able to boost the resale price to 115 percent of parity. I am convinced this would have increased the price of wheat by at least 10 cents a bushel and had introduced legislation providing for a 115-percent limitation, however, it was lost in the conference shuffle.

On feed grains the program was left pretty much as it is at the present time. The one disappointing feature is the fact that the Secretary is authorized to lower the present loan rate and increase the present price-support payment. This is, of course, a whip in the hands of the Secretary to force farmers to comply. The effect, however, is that when the Secretary lowers the loan rate this means the price of feed grains will automatically be reduced. For the compier, however, the increase of the support price offsets the loan price reduction. But, the part of the agriculture industry suffering the greatest damage is the producer and feeder of beef and lamb, because beef prices normally follow feed prices.

I would mention only briefly the extension of the National Wool Act which was changed very little in the conference. It fixes the support level of shorn wool at the present rate of 62 cents a pound with a parity index increase which would mean a support price of 65 cents in 1966 and 66 cents in 1967, with the support level for 1968 and 1969 depending upon further changes in the parity index.

There is one bad feature in the bill for the young farmer trying to get started in agriculture. That is the cropland adjustment program authorizing the Secretary to enter into 5- and 10-year contracts for the conversion of cropland from production into conservation uses. It would authorize as much as 40 million acres to be taken out of production by 1970. This program is very similar to the soil-bank program which, while beneficial to a retiring farmer, was damaging to the young farmer.

Mr. COOLEY. Mr. Speaker, I yield to the gentleman from California [Mr. TEAGUE] 3 minutes.

Mr. TEAGUE of California. Mr. Speaker, I was one of the conferees who did not sign the report. I wish to make clear to my colleagues that this is not because of any objection whatsoever to the performance of the House conferees. I believe that under the leadership of the chairman, and on a bipartisan, nonpartisan basis, we did the best possible, and really a good job of sustaining the House position. I am simply opposed to omnibus farm bills. I did not vote for the House bill. I would not have voted for the Senate bill. I shall not vote for the conference report. It does not make sense to me to put cheese, boll weevils, Rice Crispies, chewing tobacco, Corn Flakes, Shredded Wheat biscuits, boiled peanuts, golf courses, fishponds, bed-sheets, and birth control pills all in the

same subsidy bill costing the taxpayers \$4 billion a year.

Thank goodness California artichokes and mushrooms were left out of the grab bag.

Mr. COOLEY. Mr. Speaker, I yield to the gentlewoman from Washington whatever time she may require.

Mrs. MAY. Mr. Speaker, I rise in support of the conference report. I voted against the farm bill when it passed the House. I believe the conference version of the bill is a distinct improvement over the House-passed bill. By this I mean that title I, the class I dairymen's base plan emerged in what I feel to be in a good and workable form. Title II, the Wool Act extension, with the minor changes made by the Senate, is a program that has my enthusiastic support and for which I have worked. Title III, the feed grains program, is much improved over the House version, especially for feed deficit areas such as my State of Washington. Title IV, cotton, is immeasurably improved over the mess that was first passed by the House. Title VI, the cropland adjustment program, is worthy of support.

Only title V, the wheat program, Mr. Speaker, contains a feature to which I object. In the Agriculture Committee, and agreeing with the Wheat Growers Association and the Grange, I voted for the wheat title. But between the time the omnibus bill was reported out of committee and the time it was debated on the House floor, and without the knowledge or consent of farmers or farm groups, nonfarm interests crying "bread tax" were able to effect a change in the wheat program which is in direct contravention to the long sought-after goal of our farmers of a fair return from the marketplace. That original provision, which was in the bill when I voted for it in committee, and which would have made a fair return from the marketplace possible, was stricken from the bill by agreement and capitulation to nonfarm interests. As a result we now have what amounts to the most costly wheat program ever devised, and the drain will be on the Treasury. Our wheatgrowers certainly can use the income, Mr. Speaker, there is no question about that. But they wanted their income from the marketplace, not out of Uncle Sam's pocket. Now, with hat in hand, they will have to come to the Appropriations Committees.

This is, however, an omnibus bill, with many programs. Most of them are good and certainly better than when the bill was first before the House. Because of this, I will support the conference report.

Mr. COOLEY. Mr. Speaker, I yield to the gentleman from Kansas [Mr. DOLE] 2 minutes.

Mr. DOLE. Mr. Speaker, I might say at the outset that it is always a pleasure to follow a lady such as Mrs. MAY. I rise in support of the conference report.

THE CROPLAND ADJUSTMENT PROGRAM

Mr. Speaker, the cropland adjustment program has a broad and long-term significance for nonfarm people, especially those interested in conservation, wildlife, and the preservation of natural beauty.

The program would provide for better conserving use of up to 40 million acres of surplus cropland that are not needed now to produce farm commodities, and will not be needed for many years to come.

The cropland adjustment program, by devoting substantial amounts of land to long-term conservation practices, would allow extensive planting of trees, shrubs, and permanent, high-quality grasses and legumes that provide an attractive home for pheasants, grouse, quail, and other upland game birds.

The Government would share the cost of establishing new uses for land in the cropland adjustment program. In addition, consideration could be given to higher land rental payments to farmers who are willing to permit use of their land without charge for hunting, for watershed protection or other specific nonfarm benefits through cooperative agreements with local organizations and officials such as State game and fish commissions. Also farmers receiving regular rental rates would be permitted to convert their cropland to recreation use, for a fee as a supplement to other farm income.

One of the methods used to help farmers adjust their production of crops in surplus supply through commodity programs is the diversion of cropland to conserving uses on a year-to-year basis. The cropland adjustment program would supplement the commodity programs by providing for diversion of cropland on a long-term basis.

Diversion of cropland on a long-term basis can be accomplished at a lower cost than through annual commodity programs. Savings from cropland adjustment program as compared with annual diversion programs are expected to be in the range of \$4 to \$5 million per million acres contracted. If the program is built up to about 40 million acres after 5 years, it could reduce dependence on annual programs for diversion and save up to \$200 million a year.

I have a question that I should like to pose to the gentleman from Texas [Mr. POAGE] with reference to the cropland adjustment section. It is my understanding that in the first year of the operation of this program, you must put 100 percent of one allotment crop into the program, and that thereafter it can be on a percentage basis.

Mr. POAGE. That is correct.

This allows 100 percent of an allotted crop this coming year. After that time the Secretary may prescribe the percentage that is required, with the idea he will learn, with a year of experience, about what is going to be needed.

Mr. DOLE. In other words, a man with a 40-acre feed grain base and a 100-acre wheat allotment could put in the 40 acres of feed grains plus some additional wheat acreage, is that correct?

Mr. POAGE. That is correct.

Mr. DOLE. I have one other question, relating particularly to producers who were not producing feed grains in 1959 and 1960. Was any provision made for the relief of these people? Were the base years extended, or discussed?

Mr. POAGE. No, we did not change the law on that. It is the same it has been.

Mr. DOLE. In other words, the existing law remains the same.

Mr. POAGE. They would have the same opportunity as now to participate in the growth factor.

Mr. DOLE. I thank the gentleman. In my opinion, the cropland adjustment program will be well received throughout the country, and I am certain we all trust that it is administered in such a way as to attract broad participation.

I do regret that changes were not made in the feed grain sections, particularly with reference to the regulation providing that the normal conserving base for a farm shall be the average acreage on the farm devoted to conserving uses during the base years 1959-60. I appreciate the fact the conferees considered this and trust that perhaps next year some relief can be provided.

Without question, the conferees have labored long and hard, and even those who did not sign the conference report would indicate the legislation embodied in the report is better than that passed by either the House or Senate earlier.

Mr. COOLEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota [Mr. OLSON].

Mr. OLSON of Minnesota. Mr. Speaker, the distinguished chairman of the House Agriculture Committee [Mr. COOLEY], in his opening remarks, presented us with a very excellent statement regarding the efforts of the Agriculture Committees in the House and the Senate and the entire membership in behalf of agriculture in this session.

As a member of the committee, I know how diligently my colleagues applied themselves in presenting this legislation. No one can realistically believe that this farm bill has fulfilled completely the requirements of those who produce the commodities which are affected. Since our criticisms of any such deficits will at this time serve no good purpose I shall rather confine my remarks to the areas of progress.

First, and very important, is the fact that this act adds to and extends our farm programs for 4 years. My colleagues who do not represent a farming area, I am sure, cannot fully appreciate how significant this is. Last year, a large area of the district I represent suffered one of the most severe droughts in a quarter century. This year, only a few days ago, the same farmers saw as high as 60 percent of their crop lost because of a killing frost before the crop matured. I know I speak for the farmers of my district when I express appreciation for a 4-year farm program, thus removing the anticipation caused by not knowing what the immediate future might hold in the way of a farm program.

The additional income provided in the feed grains and wheat programs will go to pay operating costs for many producers in my district that might otherwise be unpaid or be an obligation that would merely increase because of interest costs. You notice that I specifically mention the payment of operating costs. These dollars are spent with the local businessman who can provide better

service to the community with dollars in the till rather than IOU's.

This farm bill is not only important to the farmers and those who serve them directly, but it will play an important role in a healthy national economy. About one-fifth of the value of our trade with other nations is generated through agricultural commodities.

The House Agriculture Committee refined and improved farm programs that have been effective and thus we are assured that this legislation provides the framework upon which a long-range program can continue to improve income for our Nation's farmers. The feed grains program has since its enactment in 1961 proven to all those who were in doubt that incentives and administration could reduce our burdensome surpluses while increasing farm income. The surpluses are for all practical purposes gone while farm prices have continued to climb from the low point of the prefeed grains program. The correction of the feed grain supply and price situation has also resulted in current livestock prices being the highest received in many years.

It is difficult to imagine anyone being able to interpret this record as being adverse to the best interests of our farmers and the Nation as a whole.

Mr. COOLEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio [Mr. LATTA].

Mr. LATTA. Mr. Speaker, I am sorry to see that the conference report continues to discriminate against the producers of Soft Red Winter wheat. This conference report will permit wheat certificates on only 45 percent of their production, and it completely ignores the fact that 76 percent of the production of Soft Red Winter wheat is used domestically.

Mr. COOLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota [Mr. QUIE].

Mr. QUIE. Mr. Speaker, I am going to support the conference report, because I believe by and large it is better than the bill which passed the House.

For instance, on the cropland adjustment program I believe we have an even better program here, as it is explained on pages 35 and 36 of the report. This will give more emphasis to hunting and fishing and to the kind of utilization of the land nonfarmers will be interested in. It will provide for long-range land retirement, the most economical way to bring about a balance of supply and demand, and at the same time be more acceptable to the nonfarm public who pay so much of the taxes on this program.

I would say, however, there is one part of this new bill about which I am disappointed. That is the revised feed grain program and the permission of the Secretary of Agriculture to reduce the loan below 65 percent of parity. It is interesting to me to see the Democratic majority now pushing down feed grain prices by pushing down the loan on feed grains, as I remember the battles we had in the Midwest about preventing low feed grain prices because low feed grain prices mean low livestock prices.

All we can do now is hope that the Secretary of Agriculture will use his authority more wisely than he has in the past and will not put the loan down and then ram the market price down by using the low resale formula, which would surely be a hardship to the farmers in my area and the whole Midwest, who for one reason or another find it impossible to participate in the feed grain program.

I remind Members that the feed grain program is different from the wheat or cotton or other programs which have had mandatory controls in the past. Because of this the history of production in the years 1959 and 1960 were completely arbitrary, not necessarily meaningful in the next 4 years and will cause an even more undue hardship on some feed grain farmers and total income of these farmers.

In the time I have remaining there is one point I should like to cover. I heard the colloquy between the gentleman from California [Mr. HAGEN], and the gentleman from Texas [Mr. POAGE], on the dairy section.

I have a question. In the event that in a regulated market with a class 1 base plan a handler receives a part of his milk from regulated producers and a part of it from a handler in another area who has unregulated producers, it is my understanding it would not be possible for them to allocate a base to a producer who was in the regulated area greater than any production which he made in the previous period on which the base is determined.

I see you shaking your head. Maybe I can ask the question a little more simply. Suppose there was more class 1 base to pass around than there was actually production for class 1 purposes in the Federal order during the period of time on which the bases were to be established. It is my understanding there was no intention that any producer should receive a higher base than he actually produced during this representative period. Is that correct?

Mr. POAGE. If the gentleman will yield, I am sure that was the intention. Although I do not understand that there is anything in the law stating that you could not give a base based on 110 percent of previous production so long as it was the same for all of the producers. It simply says that you may use a past period of production as the base on which you calculate. I think you can calculate up as well as down, although this is an improbable situation.

The SPEAKER. The time of the gentleman has expired.

Mr. COOLEY. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. QUIE. But there was no intention, as I understand it, for a higher base to be given than the dairy farmer previously produced.

Mr. POAGE. Certainly there was no intention to give anybody more base than they could use. There was certainly no intention of that sort, and I cannot conceive of the situation working out as the gentleman suggested. However, I can say there was no intention to give a man more than he could use.

Mr. QUIE. I thank you.

Mr. COOLEY. Mr. Speaker, I yield such time as he may require to the gentleman from Virginia [Mr. ABBITT].

Mr. ABBITT. Mr. Speaker, I feel that the conferees have worked out a much improved farm bill. It goes a long way toward helping to solve some of our problems, and I propose to support it.

Mr. COOLEY. Mr. Speaker, I want to yield now to the gentleman from Texas [Mr. PURCELL] as much time as he may require, but before I do so I want to compliment the gentleman, as he was the chairman of the Subcommittee on Wheat which did such a wonderful job and he worked very hard on it.

Mr. PURCELL. Mr. Speaker, I thank the gentleman very much. I would like to direct a question to the gentleman from Texas [Mr. POAGE] in regard to the provisions now in the cotton bill. As I understand the law, we have always had a prohibition against grazing diverted acres in the wheat and feed grain sections of the law other than under drought conditions or adverse circumstances. Is it my understanding that the same provisions exactly would now apply to cotton on grazing diverted acres?

Mr. POAGE. That is exactly my understanding. There will be no grazing allowed on any diverted acres except in the case of these emergency situations such as a drought where the Secretary makes that kind of a finding.

Mr. PURCELL. I thank the gentleman very much.

Mr. COOLEY. Mr. Speaker, I yield such time as he may desire to the gentleman from South Carolina [Mr. DORN].

Mr. DORN. Mr. Speaker, the distinguished, able, and illustrious chairman of the Agricultural Committee, the gentleman from North Carolina [Mr. COOLEY], the distinguished gentleman from Texas [Mr. POAGE], and each member of this great Committee on Agriculture have earned the gratitude of all of us in working out an agreement with the other body to provide for the American people the best agricultural bill in history.

Mr. COOLEY has again accomplished the impossible. He and his committee have done a magnificent job. This bill is the result of long hard hours and dedicated efforts on the part of the members of this committee and of the Agriculture Committee in the other body.

When this bill becomes law, it will serve the best interests of the American consumer, the American farmer, industry, and labor. For the first time in many years the American people can look forward to the same program for 4 years. They can plan accordingly. This bill will promote stability. The textile industry and their employees can now look to the future with assurance. The textile industry the last few years has been through one of its most trying periods in history. The industry and its employees were faced with foreign imports, outmoded machinery, tax burdens, and with their competitors abroad buying American cotton at 8½ cents per pound less than the textile manufacturer in the United States could buy the same cotton.

With an understanding leadership here in Washington the employees of the textile industry are now fully employed and face a bright future. It is now possible, with one-price cotton assured for another 4 years, that air conditioning and modernizing of mills will continue. Improved working conditions will be the order of the day. It will now be possible for our great industry to expand, grow, and compete. Under this legislation the textile industry will help keep the cotton farmer in business by being able to purchase and use more cotton.

Mr. Speaker, this is a great day for many of us who have been in the thick of the fight to save our textile industry and our cotton farmers. For me personally, it has been a long trying experience beginning in 1953.

Today I am delighted and happy and again wish to thank my colleagues as my people face the future with optimism.

Mr. COOLEY. Mr. Speaker, I yield such time as he may require to the gentleman from South Carolina [Mr. McMILLAN].

Mr. McMILLAN. Mr. Speaker, I would like to commend the conferees for approving the one-price cotton system contained in this bill. I think the omnibus farm bill has been improved since it left the House.

Mr. COOLEY. Mr. Speaker, I yield such time as he may require to my colleague from South Carolina [Mr. GETTYS].

Mr. GETTYS. Mr. Speaker, I would like to associate myself with the remarks of Mr. McMILLAN and Mr. DORN, my South Carolina colleagues, and congratulate and commend Chairman COOLEY and other House conferees for the wonderful job they have done on this omnibus farm bill which means so much to farmers and textile workers and the textile industry of my district.

Mr. COOLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. NELSEN].

Mr. NELSEN. Mr. Speaker, referring to this conference report, I would like to point out that in the area that I represent, about 70 percent of the farm income is from sales of livestock products—milk, pork, and beef. Many of the farmers who live in my area do not even have a feed grains base for reasons sometimes hard to understand. If the loan level is to be dropped and the compensatory payment is to make up the difference, which some cannot get because they have no base, then these particular farmers are in competition with finished products in a market of depressed feed grains prices.

I believe this problem can be solved if the Secretary exercises proper judgment. But I am not sure that he will because it seems that his attitude is that if the price is depressed, the farmer is forced into the program, which he cannot get into because he has no base.

I wish someone would build a record here that would indicate that it should be incumbent upon the committee to see to it at least that a farmer can participate in the feed grains program, which many have been denied the opportunity

to do. If we depress the price of feed grains, the farmer who raises his own grain for his own livestock products will be driven off the farm. The very backbone of the Midwest is being damaged by this type of administration.

Mr. FOGARTY. Mr. Speaker, in connection with this conference report on H.R. 9811 now before the House, I would like to include my remarks on a phase of this bill which were prepared for delivery at a meeting of the Rhode Island section of American Association of Textile Chemists and Colorists:

THE CONSUMER IS THE BOSS

(Remarks of U.S. Representative JOHN E. FOGARTY, Second Congressional District, Rhode Island, before the "Management Night" meeting of the Rhode Island section of American Association of Textile Chemists and Colorists, at the Wannamoisett Country Club, East Providence, R.I., on September 17, 1965)

When your committee was putting together tonight's program and asked me for a title to head up the remarks I would make here, I must confess I was a bit puzzled how best to sum up my ideas in one line.

In these situations, all sorts of fancy thoughts occur—you know, the ringing phrase, the colorful adjective—but usually commonsense—someone else's, if not mine, prevails, and we manage to get down to the basics.

Thus, the title, "The Consumer Is the Boss."

Now, that may sound too simple. I realize that. But, I chose that all-too-simple title because it describes precisely what I want to say. It describes an old, even trite, thought that most of you, I am sure, think you have in mind all the time.

A close look at events in the textile field generally, however, causes me to wonder very seriously if the textile industry at its very top echelon really is thinking that the consumer is boss.

I am not talking here about design, texture, color, and factors of that kind because I am sure that those of you who are professionals in this field must of necessity have the consumer in mind for the very good reason that if you don't, the salesman can't sell the stuff.

My concern, rather, is with the overall outlook of the textile industry, particularly as it applies to cotton and the relationship of that natural product to the manmade fibers, the synthetics.

My concern is—and has been—with the role Government is playing in the decision which ultimately can be made only by the consumer.

During the past 18 months I have seen the cotton textile industry swallow its pride and go down to Washington to beg for a Government subsidy. And, I have seen this same textile industry get that subsidy, despite my own opposition and that of many other Members of the Congress.

During the current year, it is costing the American taxpayer about \$600 million to pay that subsidy; next year, it probably will cost nearly \$1 billion to make the Government payments.

All the while, the price of cotton goods to consumers has risen—despite all the promises and pledges of 18 months ago that prices would drop if only the Government would help. All the while, cotton exports have dropped to one of the lowest levels in history. As a result, cotton surpluses in Government warehouses are at nearly an alltime high.

The cotton textile industry argues that the situation would have been far worse without Government subsidies; that the subsidy has helped raise wages, and that the use of cotton domestically has climbed.

I am not impressed by any of these statements. Personally, I don't think the cotton situation possibly could be much worse. I think that raises given labor in the textile mills were justly earned on the basis of increased productivity, and I well know that those who claim an increased utilization of cotton at the domestic level are—intentionally in some cases—trying to fool the public.

Of course, the use of cotton has risen, but—and this is most significant—the use of synthetics has climbed at an even faster pace. In other words, our increased population is demanding more cloth, but that stronger demand is favoring synthetics more than cotton—and now don't we really know the consumer is the boss, no matter what the Government does.

What particularly disturbs me is that this tremendous subsidy to textile mills is a double subsidy. It is a subsidy to offset for manufacturers a subsidy we, the Government, already is paying cotton growers. Even as I describe the situation at the moment, I find myself wondering, how silly can we get?

Here we are, paying a subsidy to farmers and then turning around to pay a subsidy to textile mills to offset the subsidy we are paying to the farmers. You've heard of a dog chasing his tail.

I make these statements in the full knowledge that it was the Government which put textile manufacturers in the disadvantageous position of being forced to pay more for cotton than their foreign competitors had to pay. I know that. I know that when the U.S. Department of Agriculture increased the farm supports for cotton in 1961, U.S. textile mills were compelled to pay more than 8 cents a pound more for cotton than foreign mills. I know this is a great injury to U.S. mills.

But, I also know that this increase in the farm support price of cotton was done by an executive order from the Secretary of Agriculture, and that it could have been undone in exactly the same way. I know that American textile mills were injured, but I maintained then—and do now—that the textile mills took a cowardly way out of the problem.

This brings me to the point in my little talk where I must put up or shut up. I realize that if I harshly criticize a Government program—and private industry for being part of that program—I have the responsibility to suggest another approach.

I make no presumption that I am an expert in the field of textiles, but I think we must analyze the basic problem honestly to approach a good solution.

It seems to me that the root of our problem started many years ago in the payment of large Government subsidies to cotton farmers. In those days, those subsidies may have been necessary, but, as is usually the case with Government handouts, they became larger as time passed.

And so, for more than 35 years Government has been paying a subsidy to cotton farmers.

Looking at the record makes me wonder why.

Do you know, for example, that despite a tremendous growth in our own population, right now the United States is producing less cotton than it was in 1925? About 1 million bales less each year.

Do you know that all the foreign countries now producing cotton are producing three times more cotton than they did in 1925?

Forty years ago, the United States had 50 percent of the cotton acreage of the world. Today, the United States has 17 percent of the cotton acreage of the world.

And, all sorts of experts try to tell me that this is progress; that things would be worse if the Government had not interfered. I repeat, "How silly can we get?"

I suppose things could get worse if we continue to interfere in this situation. I suppose that if Government keeps its heavy hand in the picture—and if the textile industry continues to lobby for the wrong legislation—we well might succeed in making cotton a museum piece. I can imagine that the synthetic advocates among you might cheer, but I happen to believe the longtime best interests of the Nation rest with keeping cotton as a vital fiber—if we can.

I am well aware that this year's legislation cuts back the textile mill cotton subsidy and pays a heavier subsidy to the cotton growers. I am also well aware that the cotton textile mills fostered this change because, actually, they have been ashamed to be caught with such a large, sticky hand in the cookie jar. So, they propose putting a light-fingered touch on the Government, and making the cottongrower's hand even more sticky than it has been.

It all adds up to cheaper cotton to the mills—cheaper to the mills, but not to the taxpayers.

Relatively, the cotton textile industry has been a recent feeder at the public trough; the cotton-growing industry has been a long-time feeder. But, it was the bill of 18 months ago that first inaugurated for cotton the idea of a compensatory payment for cottongrowers. This, as you know, is the plan that makes cotton producers directly dependent upon a Government handout for a good part of their livelihood.

We have only to look at the woolen producers to see a classic example of what will happen to any industry that long allows Government—instead of consumers—to make decisions.

The woolen producers of this Nation have been receiving compensatory payments for 10 years. Here, it is said, the theory is a bit different because we do not produce nearly enough wool for our needs, while cotton is a crop in tremendous surplus.

But, with all that, look at what happened to producers of wool.

Production of shorn wool in the 10th year of this program is 6 percent below that of a year ago, while that of shorn and pulled wool, combined, was 12 percent less. On the other hand, imports of woolen textile products in the 10th year are up 129 percent and total domestic consumption was up about 8 percent. That, too, I am told, is "progress", but is it?

Now, then, to my idea of an approach to cotton: It is crystal clear to me that our problem is our own national approach to cotton production.

We in this country—in mills as well as on farms—have refused to admit the very obvious fact that the technology of cotton production has changed; that the days of 40 acres of cotton and a mule long since have—or should have—gone.

Cotton, we find, when we look, has gone west to the irrigated lands of Texas, New Mexico, Arizona, and California—to irrigated lands where moisture can be combined, at will, to produce cotton in quantities per acre undreamed of by the man with 40 acres and a mule.

With this improvement in technology has come more economic production.

But we as a nation have refused to allow the efficient producers of cotton to produce the cotton for our Nation.

We, as a nation, have decided as a matter of national policy that we must perpetuate the man with a mule and 40 acres. Again, why? Because there are more of these men with 40 acres and a mule.

I know it doesn't take much courage for me—a Democrat from Rhode Island—to criticize the southern politicians who all these years have been fighting a rear guard action to keep their smaller cotton farmers on the land, but I submit that the textile industry of this Nation would be in a much

healthier position tonight if it had recognized that factor long ago, and if it had demonstrated the courage to fight for what it thinks right. Wouldn't this be better than going to Washington to ask for a hand-out?

Why is cotton in trouble? It is simple. It is in trouble because we have made growing cotton a matter of Government right; we have made it a Government right by handing out these terrible things called cotton allotments.

Not satisfied with that, we have prevented the efficient growers from obtaining the cotton allotments they need to grow cotton at low cost, and so we have pushed up the production price so that foreign countries can't afford to buy our cotton unless we pay a subsidy.

And so we wind up with a double subsidy, one for the grower, one for the mill, but nothing for the taxpayer.

I am told by those who know that if we as a nation had the courage to face up to facts, we would find that the irrigated lands of the West could grow all the cotton we need at a price that would need no Government subsidy at all to move in the world market.

And why shouldn't this be so? Aren't we the most efficient agricultural producers the world has ever known? Of course we are.

Yet we refuse to allow those who can produce cotton efficiently to do so.

In my years of looking at this problem, I have had much reason to shake my head in wonderment.

During these last months, my wonderment has become even greater. Somehow, I know that the executives of the cotton textile industry know better than to ask for handouts. Once in a while, in a moment of utter frankness, some of these executives have admitted to me that mill subsidies do not make much sense.

Then why, I must ask, have not the mills fought in the Halls of Congress for a program that will allow the efficient cotton producers of this country to grow that cotton, without Government subsidy of all kinds? Why?

If these cotton textile mills can lobby efficiently enough to get these vast sums of money from the Congress—and the taxpayers—should they not turn their efficiency to production of a sane cotton policy?

I know this cannot be altered in 1 day—or even 1 year—but if the cotton textile mills persist in their blind rush for more and more Government handouts, they are sowing the seeds of their own destruction. They are selling themselves short for a paltry bag of gold.

I say all of this because we all know that people on Government dole have no incentive to produce more efficiently, to produce better products. Drug the industry long enough with Government handouts, and the synthetic producers will jump with glee.

Produce inferior cotton textiles, and the consumer will tell you—surely and quickly—that she indeed is the boss.

In short, I say that it would be much cheaper for the Federal Government to give real, honest-to-goodness handouts to those small, inefficient cotton producers.

That done, I then would turn loose the efficient cotton producers of the Nation. My wager is that these efficient producers would put cotton into our mills at a price competitive anywhere in the world. And then, the Federal Government could get out of the cotton business.

Certainly, the cotton producers of this Nation are not producing for consumers right now. They are producing for Government warehouses. If that is allowed to continue, the consumer will turn increasingly to synthetics because the competition of that industry remains high and vibrant.

My message to the cotton textile mills is "wake up" or the consumer will really show you who is boss.

Mr. HANSEN of Iowa. Mr. Speaker, I rise in support of the conference report on the Food and Agriculture Act of 1965.

The conferees on the omnibus farm bill have hammered out a most excellent measure that is in the best interest of all of the people of this Nation. In accepting this proposal today, the House of Representatives will voice its concurrence with the generally favorable attitude of farmers, laborers, and businessmen toward this needed enabling legislation. The bill thus approved will continue a highly effective and popular program. With some modifications added to already good legislation, this measure will give the Department of Agriculture new and more adequate tools with which to handle the agricultural management problems that continue to face it.

The members of the conference committee are to be highly commended for the diligent work which they performed and for the development of this very fine piece of legislation.

Mr. COOLEY. Mr. Speaker, I move the previous question on the conference report.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the conference report.

The question was taken.

Mr. ASHBROOK. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 219, nays 150, not voting 63, as follows:

[Roll No. 359]

YEAS—219

Abbott	Daddario	Hamilton
Albert	Daniels	Hanna
Anderson,	Davis, Ga.	Hansen, Iowa
Tenn.	Delaney	Hansen, Wash.
Andrews,	Denton	Harris
Glenn	Diggs	Hathaway
Andrews,	Dingell	Hawkins
N. Dak.	Dole	Helstoski
Annunzio	Donohue	Henderson
Ashley	Dorn	Hicks
Ashmore	Dow	Howard
Aspinall	Dowdy	Hull
Bandstra	Dyal	Hungate
Barrett	Edmondson	Huot
Battin	Edwards, Calif.	Ichord
Beckworth	Ellsworth	Jennings
Berry	Everett	Johnson, Okla.
Bingham	Evins, Tenn.	Jonas
Blatnik	Farbstein	Jones, Ala.
Boggs	Farnsley	Jones, Mo.
Boland	Fascell	Karsten
Bonner	Felghan	Karth
Brademas	Fisher	Kastenmeier
Brooks	Flynt	Kee
Brown, Calif.	Foley	Keith
Broyhill, N.C.	Ford,	King, Calif.
Burke	William D.	King, Utah
Burleson	Fountain	Kirwan
Burton, Calif.	Friedel	Kornegay
Byrne, Pa.	Fulton, Tenn.	Landrum
Callan	Fuqua	Lanugen
Callaway	Gallagher	Leggett
Carter	Gettys	Love
Casey	Gilbert	McDowell
Chelf	Gonzalez	McFall
Clevenger	Green, Pa.	McGrath
Conyers	Greig	McMillan
Cooley	Grider	McVicker
Craley	Hagan, Ga.	MacGregor
Culver	Hagen, Calif.	Mackay

Mackie	Price	Skubitz
Madden	Purcell	Smith, Iowa
Matsunaga	Quile	Staibbaum
Matthews	Race	Steed
May	Randall	Stubblefield
Meeds	Redlin	Sullivan
Miller	Reifel	Sweeney
Mills	Resnick	Taylor
Minish	Reuss	Teague, Tex.
Mink	Rhodes, Pa.	Tenzer
Mize	Rivers, Alaska	Thompson, N.J.
Moeller	Roberts	Todd
Moorhead	Rodino	Trimble
Morgan	Rogers, Colo.	Tunney
Morrison	Rogers, Tex.	Tupper
Moss	Ronan	Tuten
Multer	Roncallo	Udall
Murphy, Ill.	Rooney, N.Y.	Ullman
Murphy, N.Y.	Rooney, Pa.	Van Deerin
Natcher	Rosenthal	Vigorito
Nelsen	Rostenkowski	Vivian
Nix	Roush	Walker, N. Mex.
O'Hara, Mich.	Roybal	Watson
O'Konski	Ryan	Watts
Olsen, Mont.	St. Onge	Weltner
Olson, Minn.	Scheuer	White, Idaho
O'Neal, Ga.	Schisler	White, Tex.
O'Neill, Mass.	Schmidhauser	Whitener
Patten	Scott	Willis
Perkins	Secrest	Wilson,
Philbin	Senner	Charles H.
Pickle	Shriver	Wright
Poage	Sickles	Yates
Poff	Sikes	Young
Pool	Slisk	

NAYS—150

Abernethy	Garmatz	Monagan
Adair	Gathings	Moore
Adams	Gialmo	Morris
Addabbo	Gibbons	Morse
Ashbrook	Goodell	Morton
Baldwin	Grabowski	Mosher
Baring	Gray	Nedzi
Beicher	Green, Oreg.	O'Brien
Bell	Griffin	Ottinger
Bennett	Griffiths	Passman
Betts	Gross	Pelly
Bolton	Grover	Pike
Bow	Gubser	Pirnie
Bray	Gurney	Pucinski
Broyhill, Va.	Haley	Quillen
Buchanan	Hall	Reid, Ill.
Burton, Utah	Halleck	Reid, N.Y.
Cahill	Hanley	Rhodes, Ariz.
Cameron	Hansen, Idaho	Robison
Cederberg	Harsha	Rogers, Fla.
Clancy	Harvey, Ind.	Roudebush
Clausen,	Harvey, Mich.	Rumsfeld
Don H.	Hechler	Satterfield
Cleveland	Herlong	St Germain
Cohelan	Horton	Schneebell
Collier	Hutchinson	Schweiker
Colmer	Irwin	Selden
Conable	Jacobs	Shipley
Conte	Jarman	Slack
Corbett	Johnson, Calif.	Smith, Calif.
Corman	King, N.Y.	Smith, Va.
Cramer	Krebs	Springer
Curtin	Kunkel	Stanton
Curtis	Laird	Stratton
Dague	Latta	Talcott
Davis, Wis.	Lipscomb	Teague, Calif.
de la Garza	Long, Md.	Thomson, Wis.
Dent	McCarthy	Waggonner
Derwinski	McClory	Walker, Miss.
Devine	McCulloch	Watkins
Dickinson	McDade	Whalley
Duncan, Tenn.	McEwen	Whitten
Dwyer	Macdonald	Widnall
Edwards, Ala.	Machen	Williams
Erlenborn	Mahon	Wilson, Bob
Fallon	Mailliard	Wolff
Farnum	Marsh	Wylder
Findley	Martin, Nebr.	Younger
Fogarty	Mathias	Zablocki
Ford, Gerald R.	Michel	
Fulton, Pa.	Minshall	

NOT VOTING—63

Anderson, Ill.	Clark	Hardy
Andrews,	Clawson, Del	Hays
George W.	Cunningham	Hébert
Arends	Dawson	Hollfield
Ayres	Downing	Holland
Bates	Duiski	Hosmer
Bolling	Duncan, Oreg.	Joelson
Brook	Evans, Colo.	Johnson, Pa.
Broomfield	Fino	Kelly
Byrnes, Wis.	Flood	Keogh
Cabell	Fraser	Kluczynski
Carey	Frelinghuysen	Lennon
Celler	Gilligan	Lindsay
Chamberlain	Halpern	Long, La.

Martin, Ala.	Reinecke	Thomas
Martin, Mass.	Rivers, S.C.	Thompson, Tex.
Murray	Saylor	Toll
O'Hara, Ill.	Smith, N.Y.	Tuck
Patman	Stafford	Utt
Pepper	Staggers	Vanik
Powell	Stephens	Wyatt

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Keogh for, with Mr. Stafford against.
Mr. Toll for, with Mr. Lindsay against.
Mr. Gilligan for, with Mr. Utt against.
Mr. Celler for, with Mr. Fino against.
Mrs. Kelly for, with Mr. Frelinghuysen against.
Mr. Tuck for, with Mr. Reinecke against.
Mr. Lennon for, with Mr. Martin of Alabama against.
Mr. Carey for, with Mr. Hébert against.
Mr. Martin of Massachusetts for, with Mr. Long of Louisiana against.
Mr. Powell for, with Mr. Halpern against.
Mr. Hollfield for, with Mr. Hosmer against.
Mr. Rivers of South Carolina for, with Mr. Del Clawson against.
Mr. Joelson for, with Mr. Wyatt against.
Mr. Holland for, with Mr. Saylor against.
Mr. Hays for, with Mr. Broomfield against.
Mr. Kluczynski for, with Mr. Bates against.
Mr. Flood for, with Mr. Ayres against.
Mr. Evans of Colorado for, with Mr. Chamberlain against.
Mr. Duncan of Oregon for, with Mr. Johnson of Pennsylvania against.
Mr. Clark for, with Mr. Vanik against.
Mr. Cabell for, with Mr. Hardy against.
Mr. Dawson for, with Mr. Staggers against.
Mr. O'Hara of Illinois for, with Mr. Dulski against.
Mr. Pepper for, with Mr. Downing against.
Mr. Patman for, with Mr. Cunningham against.
Mr. Stephens for, with Mr. Anderson of Illinois against.
Mr. Fraser for, with Mr. Smith of New York against.

Until further notice:

Mr. George W. Andrews with Mr. Brock.
Mr. Thomas with Mr. Byrnes of Wisconsin.
Mr. Thompson of Texas with Mr. Murray.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. GREIGG. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the conference report just agreed to on H.R. 9811.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 2118) entitled "An act to amend sections 9 and 37 of the Shipping Act, 1916, and subsection O of the Ship Mortgage Act, 1920, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MAGNUSON, Mr. BARTLETT, and Mr. DOMINICK, to be the conferees on the part of the Senate.

STOCKPILE DISPOSAL PROGRAM

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, recently, the House passed H.R. 11096, a bill providing for the disposal of three items of excess materials from the national and supplemental stockpiles. This is the last stockpile disposal bill which I will bring before you this session of Congress. In so doing, I am happy to report that this disposal action will net the Government approximately \$17,600,000, if the market prices remain firm.

I also wish to report that the subcommittee of which I have the honor to head, the Armed Services Committee, and the House of Representatives have acted favorably on every legislative proposal for disposal of excess materials which the executive branch of the Government has submitted to us this session. While certain of these administrative proposals were amended after thorough hearings to increase or decrease the amounts proposed, none of the proposals were rejected. In addition, the committee has reported out and the House of Representatives has acted on every single stockpile bill introduced by a Member of this House on which a favorable report was received from the executive branch of the Government.

The result is that the House of Representatives has passed 15 separate bills providing for the disposal of 25 different excess materials. The acquisition cost of the materials authorized for disposal totals approximately \$1 billion.

We, who are charged with the responsibility of hearing and recommending a course of action in regard to the stockpile disposal program, are cognizant of the tremendous responsibility placed upon us.

We have attempted to produce sound legislation. We always seek to avoid, insofar as possible, any loss to the Government. We have strived equally hard to avoid any disruption in the market—and in no instance that we know—have there been any disruptions in the market. We have urged the administration to present a program for the prompt and orderly disposal of excess materials. We have attempted to accommodate business and industry, which, in these times of present shortages, have urgent need for such materials from the stockpiles.

And yet, at the same time, we have assured ourselves that the disposals from our stockpiles have not in any way impaired our national security.

I believe I would be remiss if I did not take this opportunity to express not only my personal gratitude but also the appreciation of the members of the subcommittee and the Armed Services Committee for the reception which each of you in this august assembly, have given our legislative program in this area.

As you know, most of this legislation has passed under rules providing for unanimous consent, and in the few instances where the bills were enacted un-

der the suspension of the rules, there were no dissenting votes to the disposal actions.

We of the committee are naturally deeply grateful to the House for the support given us in making the stockpile disposal procedures so very successful and effective.

We believe that this program has been helpful to the Government, to business and those employed in industry and is in the national interest.

Again, I express my appreciation for the confidence you have shown in this vital area of our work.

GOP TASK FORCE ON THE FEDERAL CIVIL SERVICE MERIT SYSTEM

Mr. NELSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. NELSEN. Mr. Speaker, I rise today on the first anniversary of the Civil Service Commission's vigorous lack of action, its immobile mobility in resolving certain political arm-twisting cases I brought to its attention. One year ago today the Civil Service Commission advised me several Government officials in the Rural Electrification Administration were involved in illegal violations of Federal law and promised action. Since then, the Civil Service Commission has shown itself highly adept at the progressive stall, the retreating advance. It has proved with what massive minuteness it can march forward backward stealthily. Its sudden burst of inaction, its speedy slowpace, are monuments to diligent enforcement of Federal laws protecting our Federal civil service. The vigor with which the Commission has gone nowhere is remarkable, indeed.

Nor should we neglect the FBI which also investigated these charges. The alacrity with which the frozen scales of justice have not moved in the Justice Department should provide the American people with great reassurance.

Mr. Speaker, we are forced to conclude from all this that such stationary leaps as these two agencies of Government have demonstrated are no doubt the result of a political charley horse.

In a more serious vein, Mr. Speaker, I want to thank my good friend, the gentleman from New York, Congressman GOODELL, for today appointing me as chairman of the special GOP task force on the Federal civil service merit system. I can assure the gentleman, and my colleagues here in this body, that I and the other members of our task force will do our best to bring about a more forceful implementation of Federal civil service laws protecting the Federal work force.

It will be our purpose to explore all possible ways to protect Federal workers from arm-twisting pressures applied for political purposes, including shakedowns for campaign funds. We intend to investigate any charges of political manipulation brought to our attention. We will also explore the ways and means our Federal laws might be strengthened to

assure that self-seeking and politically motivated Government officials keep their hands off our public servants and their pocketbooks.

We welcome this opportunity to serve. Any Federal worker subjected to such harassment is invited to bring his problem to our attention.

LEGISLATIVE PROGRAM FOR THE WEEK OF OCTOBER 11, 1965

Mr. GERALD R. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. GERALD R. FORD. Mr. Speaker, I have asked for this time for the purpose of inquiring of the distinguished majority leader concerning the program for next week.

Mr. ALBERT. Mr. Speaker, will the distinguished gentleman yield to me?

Mr. GERALD R. FORD. I do.

Mr. ALBERT. Mr. Speaker, in response to the inquiry of the distinguished Republican leader, we have finished the legislative business for this week and it is my intention to ask to go over upon the conclusion of the announcement of the program.

The program for next week is as follows:

Monday is District Day and there are seven bills:

H.R. 11487, District of Columbia revenue bill;

S. 1320, to amend certain criminal laws;

S. 1715, penalties for assaulting employees of penal and correctional institutions;

H.R. 11428, Washington Channel waterfront priority holders;

S. 1719, overtime pay for police.

H.R. 10497, increasing criminal penalties for certain telephone calls; and

H.R. 11439, increasing annuities to retired teachers.

There are also four travel authority resolutions from the Committee on Rules, as follows:

House Resolution 593, Committee on the Judiciary;

House Resolution 594, Committee on Public Works;

House Resolution 595, Committee on Post Office and Civil Service; and

House Resolution 596, Committee on Education and Labor.

Also, S. 2294, extension of the Wheat Agreement Act, open rule, 1 hour of debate; and House Resolution 602, dismissing the contested election in the Third Congressional District of Iowa, Peterson against Gross.

On Tuesday and Wednesday we have H.R. 11135, Sugar Act Amendments of 1965. This will come to the House under a closed rule, waiving points of order, but making in order the offering of two amendments by the gentleman from Illinois [Mr. FINDLEY], with 4 hours of general debate.

H.R. 10065, the Equal Employment Opportunity Act of 1965, which comes with an open rule and 2 hours of general debate.

On Thursday there are eight unanimous-consent bills of the Committee on Ways and Means, and they are as follows:

H.R. 327, exempting from taxation certain nonprofit corporations and associations operated to provide reserve funds for domestic building and loan associations;

H.R. 7723, suspension of duty, certain tropical hardwoods;

H.R. 8210, amending the International Organizations Immunities Act;

H.R. 8436, dutiable status of watches, clocks, and so forth, from insular possessions of the United States;

H.R. 8445, retired pay, Tax Court judges;

H.R. 11216, tariff treatment of articles assembled abroad;

H.R. 10625, tax treatment of certain amounts paid to certain members and former members of uniformed services and to their survivors; and

H.R. 6319, tax treatment of expropriation loss recoveries.

For Friday and the balance of the week, the supplemental appropriation bill for 1966.

Mr. Speaker, I should like to advise the House that the leadership will request the indulgence of Members that we may have flexibility in rearranging the program during next week, as it is obvious that we are trying to finish the business of the House. We shall try to keep Members advised from day to day of any changes in or additions to the program.

May I advise further that there are 2 days when we expect not to have any rollcall votes except on procedural matters. One is Tuesday, when we will have only general debate on the sugar bill, and Thursday, when several bills will be brought up under unanimous consent.

This announcement is made, of course, subject to the usual reservation that conference reports may be brought up at any time and that any further program may be announced later.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman permit me to ask a question at this point?

Mr. ALBERT. Of course.

Mr. GERALD R. FORD. If we follow this schedule, the Sugar Act amendments will be brought up and the rule will be passed and the debate concluded on Tuesday, and then we shall go over and finish that bill on Wednesday; and subsequent to that take up the Equal Employment Opportunity Act?

Mr. ALBERT. The gentleman is correct. Wednesday, of course, is a very heavy day. We expect to finish the work on the sugar bill and to handle the Equal Employment Opportunity Act.

COMMITTEE ON DISTRICT OF COLUMBIA

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on the District of Columbia have until midnight October 9 to file certain reports.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

ADJOURNMENT OVER UNTIL MONDAY, OCTOBER 11

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule may be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. HALL. Mr. Speaker, would the distinguished minority leader yield in order that I may propound a question to the distinguished majority leader?

Mr. GERALD R. FORD. I yield to the gentleman from Missouri.

Mr. HALL. I wonder what would be the basis for not having any votes other than on procedural matters on two of the days, what those days will be, and so forth.

Mr. ALBERT. Mr. Speaker, if the distinguished gentleman from Michigan will yield further, I am glad the gentleman from Missouri has brought that matter up.

Tuesday is Columbus Day. It is a day in which some Members of the House have a particular interest and, of course, all Members of the House are vitally interested in that day.

Thursday is President Eisenhower's birthday and I believe there are some Members of the House who will have an interest in that day. I know I for one do.

In the spirit of the great bipartisan harmony which was displayed last night, we will all want to salute the great former President of the United States.

Mr. HALL. Mr. Speaker, if the distinguished minority leader will yield further, I would hope that the distinguished majority leader's prediction will be closer to coming true than his very erudite assumption when I finally withdrew my reservation of objection about coming in yesterday morning at 11 o'clock, wherein he stated that the intention was to complete the bill on Friday. I had no idea that there was to be a continuous session, but in fact that prediction was correct and we did finish it on Friday.

I thank the gentleman from Michigan for yielding.

IMMIGRATION ACT

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. EDWARDS of California. Mr. Speaker, the immigration reform bill the President signed into law at the base of the Statue of Liberty is a historic piece of legislation welding this Nation to its historic ideals of equality and justice.

The action of the Congress and the President in bringing this measure into force is significant for reasons both symbolic and practical. We are moving to strike away harmful racial and ethnic boundaries in our society. The new law is a step toward that goal, for it replaces a law that for two decades has violated the principles on which America was founded and grew strong.

The 40-year-old national origins system we have replaced had little support either in logic or in principle, and it demeaned our Nation. In allocating quotas according to the supposed national origins of the American population of 1920, it favored immigrants from the countries of northern Europe and discriminated against those from everywhere else.

The quota for Ireland, for example, was larger than that for all of Asia. The quota for Switzerland was larger than for all the nations of Africa. Because of discrepancies such as this, quotas assigned northern European countries often remained unfilled, while other countries had long waiting lists.

The implications of the national origins quota system remained undisguised—it openly suggested that one kind of ancestry is better than another, that a person from England is nine times more acceptable than one from Poland or 12 times more acceptable than one from Italy.

This is an implication which was rejected by four American Presidents before Lyndon B. Johnson—from President Woodrow Wilson who vetoed the first bill to John Kennedy. It is an implication which America has finally put to rest.

In so doing we have asserted anew our confidence in the strength of our traditions of equality—traditions that are inseparable from the very origins of our country. Indeed, not only did the Declaration of Independence affirm that "all men are created equal," some of the very grievances that caused it to be written were the restrictions imposed on immigration to the Colonies by the British Crown.

From the very beginning America was thrown open to all equally. Thomas Jefferson spoke for his countrymen when he asked "Shall we refuse to the unhappy fugitives from distress that hospitality which the savages of the wilderness extended to our fathers arriving in this land? Shall oppressed humanity find no asylum on this globe?"

Oppressed humanity did find asylum in the New World. The settlers of our land came from many countries, so that America was formed both by the unity of their uprooting and the diversity of their cultures.

The diversity and unity are still reflected in our society today. We are now an amalgam, a people different from any other. At the same time, we are proud of the diversity within our country that

reflects the many nations from which we came.

Men and women of every ethnic background have added to the culture and achievements of our land. Their contribution is not only a thing of the past—it is before us every day. Many of them, and their parents and their grandparents, might not have been able to emigrate here had the national origins quota system been in effect at the time of their migration.

The legislation we have enacted is simple and fair. It retains a limit on total immigration not substantially higher than present limits. But rather than imposing arbitrary limits based on national origin, it chooses among potential immigrants on the basis of their relationship to persons already living in the United States and on the basis of the skills they can bring here. We are now asking those who would come here, "What can you do and what can you contribute?"—not "Where were you born?" The new act preserves health and security safeguards but gives immigrants a preference by their skill, attainments, and training, or by family relationships, and not by ancestry or residence.

This act will, first of all, strengthen the United States domestically. We advance as we allow entrance to men and women who have special skills we need badly. Their talents will help to fill shortages in vital professional fields.

Second, this act will strengthen the United States in its foreign relations. Secretary of State Rusk has pointed out how the discriminatory features of our immigration laws damaged our conduct of foreign policy.

With the signing of this act the sincerity of our belief in the equality of men is no longer open to question.

What we have done also strengthens the morality of our position toward ourselves. We do not ask the men who are fighting in Vietnam what their national origins are before sending them there. We do not ask them whether their names are English or Irish or Italian or Japanese before sending them into action. We do not ask them in what year their ancestors came to America.

This Immigration Act merges our deeds with our faith. By adopting it we have acknowledged that people of every national background and racial origin have built America. And we have made clear our belief that people of every national background and racial origin will continue to contribute to America.

CERTAIN REMARKS MADE BY MR. DOLE, OF KANSAS

Mr. HOWARD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. HOWARD. Mr. Speaker, I hope no Member of this House will make any disparaging remarks today about the

wife of Representative DOLE, of Kansas, in retaliation for his despicable action on the floor last evening in reference to the First Lady of our land, Mrs. Johnson. I feel strongly that Mrs. Dole, as well as the wives of all men in public service, should be especially commended and honored for the added burdens placed upon them so that their husbands may be privileged to be in public service. I know I owe a great debt of gratitude to my wife, one which I will never be able to completely repay.

It was unfortunate to say the very least that the gentleman from Kansas should have maligned our First Lady in this way at the very moment she was accompanying her husband, our President, to the hospital where he was to undergo major surgery. There is a phrase from a popular song of a few years ago which asked "how low can you go?" I believe that last night the gentleman from Kansas [Mr. DOLE] showed us how to hit rock-bottom.

Mr. ELLSWORTH. Mr. Speaker, will the gentleman yield?

Mr. HOWARD. I yield to the gentleman.

Mr. ELLSWORTH. Not, of course, speaking for the gentleman from Kansas, my very dear and longtime friend, Congressman DOLE, but only speaking for myself I feel the gentleman from New Jersey misinterpreted the motion of the gentleman from Kansas last night. I hope the gentleman will mature and enlarge his sense of humor so that he will be able to take these things as they come without attributing to Members of the House like BOB DOLE ulterior motives and base personal attitudes and intentions. I can assure the gentleman, based on my longtime personal friendship with the gentleman from Kansas [Mr. DOLE], that he neither intended or said anything base or personal.

Mr. HOWARD. I think we might better narrow our sense of humor if enlarging it amounts to including statements like that about our First Lady.

THE CONGRESSIONAL RECORD

Mr. JONES of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. JONES of Missouri. Mr. Speaker, I am taking this time to challenge the correctness of the CONGRESSIONAL RECORD in an attempt to find out who assumes the authority to expunge from the RECORD proceedings which occur on the floor of the House.

During the proceedings last night following the adoption of the motion made by the gentleman from Illinois [Mr. KLUCZYNSKI], wherein debate on title I and all amendments thereto was to close at 8:20 p.m., the Chairman of the Committee of the Whole stated he observed certain Members on their feet desiring to be recognized; and after reading the names from a list, announced that each of those Members would be recognized for 10 seconds.

This statement was expunged from the RECORD.

Mr. Speaker, the charge I am making in regard to the failure of the RECORD to reflect what happened in this particular instance is of little importance, but the principle of permitting the RECORD to be changed is a serious matter.

During this session particularly, the CONGRESSIONAL RECORD is being thrown together not only in a sloppy manner but I maintain it has ceased to be an official record of what actually transpires on the floor of the House but rather has become a misrepresentation of what actually occurs. I believe the public is entitled to know that they cannot read the CONGRESSIONAL RECORD with any assurance that it is an accurate record of the proceedings of this House.

RESPECT FOR OUR FIRST LADY

Mr. KREBS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

Mr. SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. KREBS. Mr. Speaker, I rise in support of the statement by my colleague from New Jersey to this group a few minutes ago and ask that I be affiliated with and associated with those remarks in the RECORD.

HIGHWAY BEAUTIFICATION

Mr. McCLORY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. McCLORY. Mr. Speaker, my vote in opposition to the Highway Beautification Act of 1965, S. 2084, was a vote of protest against the dictatorial tactics of this administration in the presentation and consideration of this measure.

Indeed, my sentiments favor the enactment of this legislation and I agree with the major provisions of the bill. However, support of an idea or of a type of legislation should never require the U.S. Congress to renounce its legislative responsibilities. The atmosphere in which this measure was considered was one of pressure and strong will.

As I listened attentively to the early debates on this measure during the afternoon, I was of the impression that the consideration of amendments and final votes on the measure would be deferred until the following day. Indeed, the legislative activity of the week had been so meager that there appeared to be no valid reason for a night session in order to jam this bill through.

In the course of the late afternoon, it appeared that a change of tactics had developed on the Democratic side of the aisle requiring a completion of action on the bill before the Congress could adjourn yesterday. The President and Mrs. Johnson had invited the Members of Congress and their wives to attend a reception at the White House commencing

at 7:30 p.m. According to a later news report the change in tactics occurred because the President decided that the Highway Beautification Act should be passed in order that he could sign and present it to Lady Bird Johnson as a triumphal gesture in connection with the White House reception.

The resentment on the part of many Members of the House of Representatives, including most of the Republican Members, at this belittling concept of the legislative function was and is completely understandable. Indeed, the entire spectacle of ignoring or denying debate with regard to well intentioned, and perhaps useful and necessary, amendments was degrading and obviously damaging to the institution of the Congress itself. That such a measure, designed to promote scenic and natural beauty, should be debated and decided in an atmosphere of discord and ugliness on the part of Members of the U.S. House of Representatives, is one of the most unfortunate aspects of the 1st session of the 89th Congress. The activity surrounding deliberations on this measure indicated once again that the President is indeed a strong-willed individual.

It is my view that had the Highway Beautification Act of 1965 been thoroughly and regularly considered by the Public Works Committee and debated and voted upon during the regular meeting hours of the Congress—and not the late hours of the night and wee hours of the next morning—the vote and support in behalf of highway beautification would have been near unanimous.

SUGAR BILL

Mr. FINDLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. FINDLEY. Mr. Speaker, the amendments I will offer next Wednesday to the sugar bill will help everybody but the profiteers. One would help our balance of payments by about \$1 billion by transferring that amount to the U.S. Treasury from excess profits on foreign quotas. The other would sweep away the lobbyists for foreign sugar interests and with them a smog of suspicion that has hung over sugar legislation for years.

These lobbyists are utterly worthless to the Congress. But because of the fantastic fees some of them get, the big money in which they deal, and the way they operate, they tend to give Congress a bad name both at home and abroad.

When I decided to take on these lobbyists and do my best to put them out of business, I suspected sugar interests would be powerful and shrewd. This power and shrewdness is being felt daily—yes hourly—on Capitol Hill. I doubt there is a Member who has not had a message—perhaps several—from influential sources at home urging support for the sugar bill and opposing amendments.

The sugar lobbyists have multi-million-dollar special vested interests to protect. They are experienced at applying pressure where it will get the desired response. They have resources and are resourceful.

How resourceful are those who want to rid Capitol Hill of the odor of sugar lobbyists and cut out profiteering? Frankly, the only hope I see to improve the sugar bill is for the people who want good government to outlobby the sugar lobbyists between now and Wednesday.

SPECIAL GOP TASK FORCE ON THE FEDERAL CIVIL SERVICE COMMISSION

Mr. GOODELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GOODELL. Mr. Speaker, as chairman of the Republican planning and policy committee, I wish to announce the establishment today of a special GOP task force on the Federal civil service system. The gentleman from Minnesota, Congressman ANCHER NELSEN, will serve as chairman. Serving with him will be the gentleman from Virginia, Congressman JOEL T. BROYHILL; the gentleman from Iowa, Congressman H. R. GROSS; the gentleman from Kansas, Congressman ROBERT DOLE; the gentleman from New York, Congressman CARLETON J. KING.

Mr. Speaker, each of these Members of Congress has demonstrated his unflinching support for a strong civil service merit system, and each has been especially industrious in attempting to correct the alarming abuses of Federal law which have lately become almost commonplace.

Congressman NELSEN's long and persistent effort to expose illegal pressures brought to bear on our Federal workers well qualifies him to serve as chairman of this important task force.

It was a historic milestone in good government when Congressman NELSEN forced the Government to investigate his charges of violations of the Hatch Act and the Corrupt Practices Act.

One year ago today, Congressman NELSEN was notified by the Civil Service Commission that four Federal officials had, indeed, been found to have been "involved" in illegal political shakedowns of civil service subordinates in the Rural Electrification Administration.

Since that time, we of the minority have waited patiently for further investigations to be completed by the Federal Bureau of Investigation and for final resolution of these cases by the Civil Service Commission and the FBI. These actions have not been forthcoming.

In view of this, and other clear indications that violations of these laws continue at an ever-growing pace, we are establishing a special GOP Task Force to look further into these despicable practices of political coercion of our public servants.

COPYRIGHT LAW AUTHORITIES AGREE THAT RESIDUAL RIGHTS IN SUCCESSFUL PLAYS ARE WORTH MILLIONS OF DOLLARS; THERE SHOULD BE NO CONFLICT OF INTEREST IN THE WHITE HOUSE

Mr. GROVER. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. WIDNALL] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. WIDNALL. Mr. Speaker, despite statements attributed to Roger L. Stevens, cultural adviser, copyright law authorities agree that residual rights in successful Broadway and Hollywood productions are worth millions of dollars.

Since Mr. Stevens is refusing to divest himself of the residual rights to the 150 plays he has produced, and has, according to some reports, suggested that they are only worth \$5 to \$50, Congress should take a close look at his situation in relation to the new conflict-of-interest rules and regulations just announced by the U.S. Civil Service Commission.

THERE SHOULD BE NO EXCEPTIONS AND FAVORITISM IN THE APPLICATION OF PRESIDENT JOHNSON'S NEW CONFLICT-OF-INTEREST REGULATIONS

Mr. Speaker, as we all know, the present Secretary of Defense, Robert S. McNamara, had to sell his Ford Motor Co. stock when he was appointed by President John F. Kennedy as Secretary of the Defense Department. Other Cabinet officers have had to divest themselves of all private holdings before they could be confirmed. The Secretary of Defense under President Eisenhower was required to divest himself of his holdings. This applied to such distinguished Americans as Charles E. Wilson and Neil H. McElroy, who gladly divested themselves of their private holdings in order to serve the American people.

This system, which is central to the confirmation of appointees to high public office by the Senate of the United States, has worked well throughout all the years since the founding of this Republic. It has protected the appointees as well as the citizens of this great country. It has been strongly supported by the Congress and by both major political parties. No one, until now, has challenged this system which is rooted in our Constitution. Appointees to high office have been willing to divest themselves of their private holdings, and have long recognized that such divestment of their private holdings is part of the price of public office. There is a great mass of literature and of precedent on this matter, and it is not necessary to show an actual conflict of interest, but only the possibility of such a conflict.

Now this basic system, which has always operated so well, is being probed and tested. The curious view is being advanced that this system should not apply to all Federal officials, even though President Johnson has just issued an

order calling for an end of all private investments, and moonlight employment, which might conflict with the duties and responsibilities of Federal officials and employees. Under these new Civil Service Commission rules, a GS-1 clerk will have to justify the ethics of even such an activity as driving a cab on his day off or during the hours when he is not working for the Federal Government.

However, these same requirements should not apply, according to Roger L. Stevens, to the Chairman of the National Endowment for the Arts established by the National Arts and Humanities Act, the Special Assistant on the Arts to the President, and the Chairman of the Board of Trustees of the John F. Kennedy Center for the Performing Arts. I have received indications that many people, in addition to myself, are deeply disturbed by this case of favoritism and special exception, and the failure to apply the same rules to the Chairman of the National Endowment for the Arts as is applied to the Secretary of Defense and the GS-1 Federal clerk.

In a statement Mr. Stevens made today he has denied any conflict of interest. I am pleased to include this statement, as well as his biography which he supplied to the Congress in 1962, and a number of items which shed light on the subject, at the end of my remarks.

Since the question of his royalties and residual rights to the 150 plays he has produced has been raised, I would suggest that those who are interested in the matter of royalties and residual rights to successful plays might wish to read such basic textbooks as the following "Nimmer on Copyright," by Prof. Melville B. Nimmer, of the University of California at Los Angeles; "Entertainment Publishing and the Arts," by Alexander Lindey; "This Business of Music," by Sidney Shemel; and "Residual Rights Established by Collective Bargaining in Television and Radio," by Robert W. Gilbert, Law Review of Duke University, winter, 1958.

Residual rights to a commercial play or musical may amount to millions of dollars, not the minimal \$5 to \$50 suggested, according to some reports, by Roger L. Stevens:

THE WHITE HOUSE,

Washington, D.C., September 17, 1965.

MR. OSCAR L. WEIR,
President, National Symphony Orchestra Association, Washington, D.C.

DEAR MR. WEIR: I regret that I must resign from the board of the National Symphony Orchestra.

During the recent debate on the House floor, one Congressman raised a point about possible conflict of interest with regard to my being a director of the National Symphony.

This would not be so bad, but there may be problems in this area when the Kennedy Center is completed. When I accepted membership, I thought we could worry about such a situation when the building was finished.

Also, if by chance the National Symphony should qualify for funds under the National Endowment and since the question has already been raised in Congress, the orchestra might be prevented from receiving some necessary money.

Thus, although I deeply regret this action, I must herewith tender by resignation.

Sincerely,

ROGER L. STEVENS,
Special Assistant on the Arts.

OCTOBER 8, 1965.

STATEMENT OF ROGER L. STEVENS

There have been inquiries as to whether there is a conflict of interest in my position as Chairman of the National Council on the Arts and I would like to clear up any possible misconceptions and allegations made during the past few days.

First, there is an important job to be done in the field of the arts and humanities as indicated by the mandate given us by Congress. I am proceeding to the best of my ability and judgment to carry out this responsibility.

I am perfectly willing to declare unequivocally that no organization which I have an affiliation will be entitled to funds from any Government program with which I am associated.

At the time of my appointment as Chairman of the National Council on the Arts I resigned from all business and nonprofit organizations that might have any possible conflict with my present position. The only organizations in the arts with which I am affiliated now are the Metropolitan Opera Association and the American Shakespeare Academy which are nonprofit organizations and any organization I might join would be in the same category.

I feel in carrying out my duties as Chairman of the National Council on the Arts it is important to be thoroughly familiar with as many developments in the field of the arts as possible by being a member of nonprofit organizations, as long as there is no financial conflict.

There has been some discussion of royalties that may accrue to me from plays. As soon as the first class production of a play is finished, the title of the play reverts to the author. It has been suggested that such royalties be put in trust. This is impossible to do because, as has been stated, the ownership reverts to the author and all control remains in his hands.

I would like to further state that at the time I accepted the position I had many personal commitments including those to employees who have worked with me for many years. I have had to pay very substantial amounts as a result of the continuing deficits incurred by these commitments. I would be glad to open my books to confirm these substantial financial losses.

I have worked 4 years as Chairman of the John F. Kennedy Center without any compensation, traveling a minimum of 250,000 miles for this organization and on behalf of the National Council on the Arts, to bring to the country a greater knowledge of their activities. At least 90 percent of the cost of this travel has been paid personally. For this I expect nothing in return, for I believe it is the duty of every American citizen to serve his country when asked.

As President Johnson has said concerning the arts legislation: "This Congress will consider many programs which will leave an enduring mark on American life. But it may well be that passage of this legislation, modest as it is, will help secure for this Congress a sure and honored place in the story of the advance of our civilization."

I am delighted to serve, to the best of my ability, under his leadership to see that these new programs fulfill the promise for which so many people have worked so long and so hard.

[From the New York (N.Y.) Herald Tribune, Oct. 6, 1965]

NEW CULTURE CHIEF COMES UNDER FIRE

(By Dom Bonafede)

WASHINGTON.—A dispute is slowly surfacing over Roger L. Stevens, prominent producer and real estate operator who is President Johnson's chief cultural adviser.

With increasing persistency, questions of a possible conflict of interest have been raised

in Congress concerning Mr. Stevens' private theater interests and his public position.

Mr. Stevens, who has held an advisory White House position as Chairman of the National Council on the Arts, became the \$28,000-a-year Director of the National Endowment for the Arts last Wednesday with the signing of the arts and humanities bill by President Johnson. The bill provides him with a \$10 million fund to promote the arts the first year and \$61 million over the next 3 years.

Two Republican Congressmen—ALBERT H. QUITE, of Minnesota, and WILLIAM B. WIDNALL, of New Jersey—have spoken on the House floor regarding a possible conflict in Mr. Stevens' public and private roles.

Mr. Stevens, however, strongly denies the existence of any conflict and implies that the attacks are motivated by political and personal considerations.

The gist of the Congressmen's criticism is that Mr. Stevens conceivably could use his White House position for the benefit of Broadway productions in which he retains a financial interest.

Mr. Stevens has been producing partner in more than 150 Broadway productions, including "Mary, Mary," "West Side Story," "Cat on a Hot Tin Roof," "Tea and Sympathy," "The Fourposter," "The Bad Seed," "Ondine," "Pleasure of His Company" and "A Man for All Seasons."

He is a director of the Metropolitan Opera Association and Chairman of the John F. Kennedy Center for Performing Arts. He had been a member of the board of directors of the National Symphony Orchestra, but resigned on September 17, 2 days after Representative QUITE told the House during debate on the arts and humanities bill:

"President Johnson himself has put his radio and television properties in trust while he is serving as President. But the Special Assistant on the Arts in the White House, so far as I know, is still receiving royalties from the Broadway farce-comedies in which he has a major interest. His powers as Chairman of this proposed National Endowment for the Arts established by this bill makes it possible for him to receive Federal funds in aid of his own interests in a Broadway theater, if only inadvertently."

The Congressmen are also concerned over the possibility that Mr. Stevens could book plays in which he has a financial interest in 30 regional theaters he hopes to have built in shopping centers throughout the United States.

[From the New York (N.Y.) Herald Tribune, Oct. 8, 1965]

STEVENS WON'T END INTERESTS

(By Dom Bonafede)

WASHINGTON.—Roger L. Stevens, Broadway theater and real estate entrepreneur who serves as White House cultural adviser, said yesterday he does not plan to divest his theatrical interests in response to conflict of interest charges raised against him.

"There is no reason to divest anything or any reason why I should quit," he commented.

He made the statement as several Republican Congressmen continued to raise questions concerning a possible conflict between his public and private activities.

Mr. Stevens, who has been involved in the production of more than 150 Broadway offerings, is Director of the National Endowment for the Arts and Chairman of the John F. Kennedy Center for the Performing Arts.

Two Republican Congressmen, WILLIAM B. WIDNALL, of New Jersey, and ALBERT H. QUITE, of Minnesota, contended that Mr. Stevens, by virtue of his Federal position, could promote Broadway productions to his own financial interest.

The Congressmen have called on Mr. Stevens to divest himself of his theatrical holdings.

Mr. Stevens, who resigned from the board of the National Symphony, said yesterday he has severed his commercial ties. The latter, he said, includes the City Investing Co., a Washington investment firm which holds the lease on the National Theater, the Capital's foremost house for legitimate drama.

He maintained that Representatives WIDNALL and QUITE did not understand the technicalities of theatrical financing and that he could not cut his ties with the Broadway productions because of his obligation to the stockholders.

"I am not in control. When a play leaves Broadway the title reverts to the author," he commented. He continues to receive revenue, he said, if a play is produced in summer stock or on the road.

He said he resigned from the National Symphony for reasons other than the appearance of a conflict of interest.

Representatives QUITE and WIDNALL have also taken issue with a provision in the arts and humanities bill which assures Mr. Stevens his position with the endowment fund without Senate confirmation. The provision provides that the Chairman of the National Council on the Arts does not need Senate approval if he is also appointed to the endowment fund. Mr. Stevens heads the Arts Council, a White House advisory group.

Mr. WIDNALL yesterday implied that Mr. Stevens, a member of the board of the Metropolitan Opera, had used his public office to the financial assistance of the opera association.

"Mr. Stevens," said the Congressman, "handed out to the Metropolitan Opera Co. \$300,000 of the interest earned on money donated to the Kennedy Cultural Center. The opera company is using these funds to finance traveling productions. Some of these productions will play Washington next spring at the National Theater, which Mr. Stevens' City Investing Corp. controls through a holding corporation lease. Associated with Mr. Stevens in City Investing is Robert Dowling, who serves in Washington as chairman of the Advisory Board of the Kennedy Center."

(An aid to the Congressman said afterward Mr. WIDNALL had not been informed that Mr. Stevens no longer was associated with City Investing.)

According to Representative WIDNALL, the Advisory Board has not held a formal meeting in 5 years.

In reply to the Congressman's charges, Mr. Stevens said the \$300,000 interest arrangement with the Met was approved by President Kennedy when the Center was known as the National Cultural Center, as well as by the Center's 45 trustees, which includes three Senators and three Representatives.

Mr. Stevens said he planned to release an official statement today on the charges after it was approved by other Government officials.

Yesterday, Mr. Stevens spent most of the afternoon in closed session before a House Appropriations Subcommittee. He reportedly testified in support of a \$17 million supplemental for the national cultural program.

[From Variety, Sept. 29, 1965]

DENIES CONFLICT, BUT STEVENS RESIGNS ONE U.S. CULTURAL POST

WASHINGTON, September 28.—Roger Stevens, President Johnson's man for all seasons in the arts field, has resigned his chair on the board of Washington's National Symphony Orchestra—but he denied his resignation has any special significance.

During House debate on the National Foundation on the Arts and Humanities bill, which has since passed, Representative ALBERT H. QUITE, Republican, of Minnesota, raised the possibility of Stevens having a conflict of interest. QUITE noted that Stevens was on the boards of the National Symphony

and New York's Metropolitan Opera Co., as well as having financial interests in play productions.

Since Stevens already has plugged for building small playhouses in shopping centers around the country with the aid of Federal grants, QUITE said, Stevens "if only inadvertently" could profit from having plays produced in the shopping centers and also could aid in dispensing money to the National Symphony and the Metropolitan. Among Stevens' jobs are heading the John F. Kennedy Center for the Performing Arts and the National Council on the Arts. In the latter capacity, he would become chairman of the National Endowment for the Arts under the new Federal aid to the arts bill.

Stevens told Variety Monday, Sept. 27, that talk of a conflict of interest was "1 of about 10 reasons" for dropping the National Symphony role. He completely discounted the conflict of interest intimations and said he would not withdraw from his other cultural activities. He intends to stay on the Metropolitan board, he said.

[Text of Biography Submitted to the Congress by Roger L. Stevens in 1963]

BIOGRAPHY OF ROGER L. STEVENS

Roger L. Stevens, appointed by President Kennedy on September 2, 1961, to be chairman of the Board of Trustees of the National Cultural Center, is not only a leading businessman but is also one of America's most successful theatrical producers.

Among the more than 100 plays he has either produced or coproduced are "A Man for All Seasons," "Five Finger Exercise," "West Side Story," "The Caretaker," "A Far Country," "Mary, Mary," "The Visit," "Best Man," "Pleasure of His Company," "Time Remembered," "Major Barbara," "Cat on a Hot Tin Roof," "Bus Stop," "Bad Seed," "Sabrina Fair," "Tea and Sympathy," "The Fourposter," and many others which have consistently been among the 10 best plays of the year.

His business activities, largely in real estate, have included some of the Nation's most important projects. He was, for instance, head of the syndicate which purchased the Empire State Building in 1951. He is a director of the City Investing Co. and other corporations, as well as chairman of the Board of University Properties in Seattle and of Davidson Bros. Midwest department store chain. His business activities encompass numerous projects of similar magnitude.

Apart from being one of the country's top producers, his additional activities in the theater include being president of the Producers Theater, president of the Phoenix Theater, past president of the New Dramatists Committee. He is also a member of the executive committee of the American Shakespeare Festival and Academy, treasurer of ANTA, member of the Board of the Metropolitan Opera Co., etc.

He was born in Detroit, Mich., on March 12, 1910. After attending school in Ann Arbor, he was graduated from the Choate School in 1928 and attended the University of Michigan. His honorary degrees include doctor of humanities at Wayne State University and doctor of humane letters at Tulane University.

Mr. Stevens, as chairman of the board of the National Cultural Center, expresses the philosophy that the center is a national movement to encourage the performing arts throughout the Nation. The structures, which will cost \$30 million, will be erected in Washington, D.C.—a symphony hall, a theater, and a hall for opera, ballet, and musical comedy—and will represent the cultural movement throughout the country.

To further this widespread plan there will be, in future years, regional facilities for the discovery and development of local talent in all the performing arts. Many of these new talents will thereafter enjoy the public platform afforded them by the National Cultural Center in the Capital.

YOUTH AND FREE ENTERPRISE

MR. GROVER. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. QUILLIN] may extend his remarks at this point in the Record and include extraneous matter.

THE SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

MR. QUILLIN. Mr. Speaker, I would like to insert at this point in the Record an editorial which was presented on WCYB-TV in Bristol, Va.-Tenn., by Mr. Walter Crockett, editorial director of the station. Mr. Crockett reported on a survey of high school seniors in Asheville, N.C., that was made to determine if their economic thinking was in line with the national trend. I know my colleagues and the readers will find the startling results of this survey most interesting and worthy of their contemplation:

WHERE ARE WE GOING?

Most of our high school youngsters think that money grows on trees and the trees grow in Washington. That is the general conclusion that is confirmed by a survey by the Asheville, N.C., sales and marketing executives, and reported by the Asheville Citizen newspaper.

The executives surveyed 1,202 high school seniors to determine if their economic thinking was in line with the national trend.

Eighty-one percent of the students believe the Government should keep wages from falling when times get relatively hard.

Forty-three percent subscribe to the theory that the fairest economic system "takes from each according to his ability and gives to each according to his need."

Some 37.9 percent of these students did say that business has done the most to improve American living standards, but 29.2 percent credited the Government with that accomplishment and 14.6 percent said it was "all due to the unions."

Nowhere in this survey was any indication that a preponderant majority of these high school seniors have a clear understanding for the basic principles of free enterprise.

The Asheville survey results is in line with national survey findings. There probably would be no significant deviation if specific surveys were made in Bristol, Johnson City, Kingsport, or elsewhere in our region.

What it means is that in the home, in schools, we have failed to stress the value of the free competitive system which is the heart of the American economic system.

Our children are not learning the basic facts of how jobs are created by business and industry, and how the wheels of factories must turn.

These are children who have never had practical contact with a major depression.

They have not experienced structures on the necessities of life, such as food and clothing.

We have been failing to teach them at home and in school that there would be no lavish spending by the States and by Uncle Sam if our free enterprise economic system were not operating profitably.

We are not teaching them that money alone is not the big answer—that neither this country nor any other can manufacture and guarantee full economic and social equality.

The youth survey answers are not surprising, because we are living in an era when it is popular to invent Federal spending schemes and money is being poured into fields of dubious value. The present Congress has set a new high record for so-called social legislation. Our young people are being indoctrinated into the theory that Uncle Sam is, or will be, the arbiter of all things.

The picture causes one to wonder where we are going.

NEED TO AMEND GRAIN GRADE STANDARDS

Mr. GROVER. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. LANGEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LANGEN. Mr. Speaker, farmers in the Midwest have experienced a most unusual harvest season. For instance, our northwestern Minnesota farmers watched the development of what looked like a sure bumper crop, only to have the skies open up with a deluge of rain at the very moment the harvesting equipment was to have moved into the fields. The harvest consequently has been delayed by over a month in some areas as the persistent rains continued to fall. The damage has been heavy and the moisture content of some grains has become comparatively high, in fact too high for some commodities so that they do not qualify for Department of Agriculture storage loans.

This is particularly true for flax, and I have urged the Department to review the discount schedule and grain grade standards and amend them to make it easier for the farmers in the rain-soaked areas to obtain these storage loans.

The maximum moisture limit in the numerical grades of flaxseed were recently lowered from 11 to 9.5 percent. A number of people in the flaxseed industry are concerned that the producers in the rain-hit areas will not be able to qualify their crops for storage loans under the lowered limit. Therefore we have asked the Department to raise the limit for this year's crop so that flaxseed can readily be moved into storage bins under loan contracts. This change is urgently needed to avert financial problems in these stricken areas.

The areas in question are located in one of the greatest flax-producing sections of the Nation, and are in the northern reaches of the country where cool weather will permit storage of flaxseed with moisture content up to 11 percent. There is little if any danger of spontaneous heating in that region, so there is no logical reason why the limits cannot be reset to accommodate these farmers.

These farmers should not be unduly penalized by these unusual and unavoidable natural circumstances. Therefore a review of the loan requirements is in order. I have asked the Secretary of

Agriculture to give every consideration to these unusual circumstances and to amend the grain grade standards as much as possible to insure these farmers of inclusion under the loan programs.

HOW DO SUGAR LOBBYISTS EARN THEIR MONEY?

Mr. GROVER. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. FINDLEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FINDLEY. Mr. Speaker, recent developments raise questions about the role of sugar lobbyists in regard to foreign quotas.

Five Central American countries have complicated representation arrangements.

Their principal lobbyists are Attorney Sheldon Z. Kaplan, of Washington, and Miss Dina Dellale, of New York.

Miss Dellale is listed at the Justice Department as an economic consultant on sugar.

She has individual contracts with Costa Rica, El Salvador, Guatemala, and Nicaragua, each providing her payment of \$9,000 a year. In addition, she gets \$1,200 annually from Honduras.

As executive director of the Latin American Sugar Council—recently renamed the Central American Sugar Council—which consists of the same countries, she draws a salary of \$7,500.

This means her gross income for serving as an economic consultant on sugar to these five countries is \$44,700 a year.

Reports she has filed show she also gets reimbursement for expenses. In the first 6 months of 1965, she reports being reimbursed \$2,150 by the council.

Other reports show that she was first hired in 1961 by Costa Rica alone for \$5,000 plus expenses. In 1962 this was raised to \$750 a month, and now her clientele has expanded to the other countries with grand total income currently at \$44,700.

Kaplan received in the period from March 28, 1964 to March 28, 1965 from his five foreign principals a total of \$41,200—itemized as follows:

Nicaragua.....	\$16,500
Guatemala.....	21,500
Costa Rica.....	1,500
Honduras.....	200
El Salvador.....	1,500
Total.....	41,200

As general counsel for the Latin American Sugar Council he received in the period from June 28, 1964 to June 28, 1965 a total of \$8,000 plus a report of reimbursed expenses in the amount of \$4,273.40.

This means his gross salary from these interests was approximately \$49,000 during a 12-month period.

The two sugar lobbyists thus cost their principals about \$100,000—salaries and expenses—for the year.

Each testified briefly one day last August before the House Committee on

Agriculture. What other services do they perform to justify these high fees?

Among their clients is Honduras, a country which does not yet export sugar but which sought and did receive a quota for the first time in the present legislation. What part, if anything, did the lobbyists have in this accomplishment?

Two of their other clients, El Salvador and Costa Rica, received higher quotas from the committee than recommended by the administration. At present prices, the 5-year premium value of the changes including Honduras, come to \$8,746,750.

What is the background of the quota proposal for Thailand?

The Calabrian Co., of New York in 1964 made a survey to determine whether an investment for sugar production in Thailand would be justified. The finding was negative. Under a customary arrangement with AID, Calabrian was reimbursed \$37,500 by the U.S. Government, half of the cost of the survey.

Calabrian tried to work out a barter deal, under which Thailand sugar would be traded for U.S. tobacco. This fell through because Thailand had no U.S. sugar quota.

Former Congressman George M. Grant was hired as sugar lobbyist for Thailand, and Calabrian helped to prepare the statement he presented in August to the House Agriculture Committee. In his proposal to the committee, Grant guaranteed a barter deal similar to that earlier proposed by Calabrian if the quota was granted.

The Agriculture Committee voted Thailand a quota of 19,864 tons. At present, the 5-year premium value of the quota is \$6,952,400.

All this makes it appear that the real motive force behind the Thailand quota was not Thailand itself but an American firm.

The question naturally arises, what kind of a deal does the Calabrian Co. get if the Thailand quota goes through?

Attorney Charles Patrick Clark, whose principal lobbyist background was for Spain in nonsugar matters, has received \$47,500 as sugar lobbyist for Venezuela in the last 3 months, according to reports he has filed at the Justice Department. No report of any expenses has been made. Aside from reading a statement to the Agriculture Committee one day in August, what has he done? Why did the Committee on Agriculture increase the quota to Venezuela?

The administration had recommended a quota of 2,676 tons. The committee increased this to 30,809 tons. At present prices, the 5-year value of the increase is \$9,846,550.

Did Clark have any role in that accomplishment? If so, what? What has he been reporting to Venezuela to justify the \$47,500?

CASIMIR PULASKI: POLISH HERO, AMERICAN PATRIOT

Mr. GROVER. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. CLEVELAND] may extend his remarks at this point

in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CLEVELAND. Mr. Speaker, on the 11th of October, 186 years ago, a noble and heroic life was given to the cause of liberty. On that day Count Casimir Pulaski, famed Polish patriot and brigadier general in the American Revolution, died of fatal wounds sustained during the siege on Savannah. With his death this Nation, Poland and the world lost one of their most valiant advocates of freedom.

Each year, the anniversary of his passing is commemorated by the observance of Gen. Casimir Pulaski Memorial Day in cities across the Nation. I would like to give special emphasis at this time to the very worthwhile celebration being planned in Manchester, N.H.

Under the general auspices of the Polish American Citizens Club, the ceremonies will take place in Pulaski Park at 12:30 on Sunday, October 10. The Pulaski Day Celebration Committee of Manchester is to be commended for their industrious planning of the occasion.

General Pulaski was a man deserving of special tribute, and I am proud that this year, on the recommendation of Congress, the President has issued a proclamation designating the commemoration of this day.

It is proper—

The proclamation states:

that the American people continue to pay grateful tribute to General Pulaski for his heroic sacrifice in freedom's cause, and to the manifold and continuing contributions of Polish Americans in the defense and progress of this Nation.

The heritage left us by General Pulaski through his heroic contributions to American independence, to the concept of liberty and to Poland has been upheld and enriched by the succeeding generations of Polish immigrants. They have entered with distinction into every profession and field of endeavor in our communities and Nation. They have shown an astounding capacity for hard work.

Just as Pulaski held firm to a deep love of liberty and an undying belief in a universal concept of freedom, our Americans of Polish descent have been resolute against communism, against bigotry, hate, and injustice everywhere. They have not forgotten that Poland and a vast part of the world remains under tyranny.

They have stood firm by their Christian faith and the prayer that the sacrifice of men like Pulaski and the thousands of other Polish sons who have given their lives someday will no longer be necessary in a world blessed with peace and freedom.

Count Pulaski came to America on July 23, 1777, to volunteer to fight for an ideal that dominated his life. He was not a soldier of fortune. He was already famed throughout Europe for his brilliant and heroic exploits against Katharine the Great on behalf of a free and undivided Poland. And to the American

cause he gave \$50,000 of his own estate to form the first American cavalry.

His brilliant military leadership at Brandywine in defense of George Washington's forces was acknowledged by his promotion to brigadier general, and his organization, training regulations, and tactical skill in commanding the famed Pulaski Legion earned him the title of "The Father of the American Cavalry."

His death was a loss to two continents. The ideals which he helped to gain a foothold in the New World have been a blessing to mankind. As he wrote in later life:

I could not submit to stoop before the sovereigns of Europe, so I came to hazard all for the freedom of America.

TIME TO ADJOURN

Mr. DOLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. DOLE. Mr. Speaker, I regret not being on the floor earlier today when the gentleman from New Jersey [Mr. HOWARD] mentioned my name. I do appreciate my colleague the gentleman from Kansas [Mr. ELLSWORTH] responding in my absence.

We have indeed been here too long when it becomes so obvious some have lost their sense of humor.

My amendment calling attention to the role of the First Lady in the consideration of the beautification bill was offered, without comment because of time limitations imposed by the majority. It followed, I might add, a United Press International wire story which commenced as follows:

House leaders drove toward passage of Lady Bird Johnson's highway beauty bill tonight in the hope of handing it to her as a present at a "Salute to Congress" party at the White House.

Everyone in this country—and I thought everyone in this Congress—was aware of Mrs. Johnson's active interest in this legislation; and my suggestion that she continue to have a managerial role in the administration of her pet project was aimed at a program which I cannot approve, not at the First Lady, for whom I have profound respect.

If my timing was in someone's opinion, inappropriate, may I submit it was no more inappropriate than the timing of the consideration of the legislation. It seems strange the House would stay in session until 12:51 this morning then meet again at noon and adjourn about 3 p.m., unless, of course, the UPI story was accurate.

In the course of our history, some of our First Ladies, and wives of other public officials, have been completely content to be the devoted wife. Others have sought for a greater fulfillment through their personal involvement in public affairs.

It is not for me to judge which is proper and appropriate, but surely it is

obvious that the choice is not without peril.

When one chooses to step down from the pedestal of the dutiful preoccupied wife of the President, or other public official, and to wade into the turbulent stream of public controversy, one must expect to, at least, get her feet wet.

The cries of anguish from the freshmen Member from New Jersey were not born of naivete about these facts of life, so I can only conclude my pointed humor must have been painfully telling on the gentleman.

COMMUNIST PERFDY IN VIETNAM IS OLD STORY FIRST CITED BY DR. TOM DOOLEY IN 1954

The SPEAKER. Under previous order of the House the gentleman from Ohio [Mr. ASHBROOK] is recognized for 15 minutes.

Mr. ASHBROOK. Mr. Speaker, I wish that all those who have doubts about the justice of the overall U.S. policy in Vietnam could read and digest the following excerpt from the book, "Deliver Us From Evil," by the late Dr. Thomas A. Dooley. Most of us probably forget that Tom Dooley was in Vietnam at the time of the Geneva Agreement in 1954 when Vietnam was divided into two parts, North and South.

As a young doctor he served in a staging area for the evacuation of those people in the North who preferred exile in South Vietnam to life under the Communists. He described his initial reaction to his first case of Communist bestiality thus:

Inside that hut I had just seen a masterpiece of systematic torture. Under the sky, I retched and vomited my insides out. I was grateful that no one followed me; they understood and were patient.

Today, 11 years later, there are those who still will not learn. Of course, you will not find them among the Americans I recently visited in Saigon or at the front lines in Vietnam. They have no delusions as to communism and can personally testify on the basis of their own experience as did Tom Dooley years ago.

As recent events indicate, the elements of doubt and opposition are to be found among a small but vocal band of college and university students and professors who have discarded the standards of scientific method used to attain all possible objectivity. At Rutgers University a recent teach-in found one professor saying he would welcome the impending victory of the Vietcong. This is all too typical of this leftist attack on our policy in Vietnam.

Tom Dooley had one purpose in including the chapter, "Communist Reeducation," in his book:

The purpose of this book is not to sicken anyone or to dwell upon the horror of oriental tortures. But I do want to show what has come upon these people of the delta. And justice demands that some of the atrocities we learned of in Haiphong be put on record.

To further fulfill Dr. Thomas A. Dooley's wish, and to demonstrate to the American people the heinous nature of the enemy we all face, I include the

above-mentioned chapter in the RECORD at this point:

CHAPTER XV—COMMUNIST REEDUCATION

The children of Vietnam become old very young. They are mature and grave while still in early adolescence, and they are often very brave.

A number of them worked for us in the camps, staying on for months. They did adult work, accepted adult responsibilities; when they could bum cigarettes, they even smoked like adults. Yet they were only 8 or 10 or 12 years old.

Each of my corpsmen had six or seven such young assistants. The badge of honor was a white sailor hat. A retinue of them followed me around day and night, sometimes to my embarrassment. They might come to me and lead me to a feeble old woman who could not leave her tent, or take me to see a man who was crippled. They would run errands for me, fetch things I wanted, boil water for the sick-call tent. Sometimes they did my laundry, but on such occasions they were apt to wash the clothes in a rice paddy, and the wrong paddy at that, so I discouraged this. And sometimes they would ride my truck just for the fun of it, as children should.

During the months when I was living in Haiphong hotels, they would sleep outside my door. They were often the go-betweens when newly arrived escapees needed help immediately.

Whenever Mr. Ham or any other Vietnamese official wanted to see me, he would spot one of these kids with the sailor hats, or one of the shoeshine boys, and tell him to "find the Bac Sy My."

When one of my assistants would leave for the south we would hold a little ceremony. Various ships' officers had given me their ensigns' bars. So, on the official day, the Quan Hl, or lieutenant, would commission his assistant a Quan Mot or ensign in the U.S. Navy. A bar was pinned on him and his sense of self-importance increased so you could notice it. I hope the Personnel Department of the Navy will be understanding when it hears about my unusual recruiting service.

The Viet Minh directed much of their propaganda at the children and adolescents of the nation, and they went to unbelievable lengths to drive the propaganda home. The first time I ever saw the results of a Communist "reeducation" class was during the month of December. What had been done to those children one December afternoon was the most heinous thing I had ever heard of.

Having set up their controls in the village of Haiduong, Communists visited the village schoolhouse and took seven children out of class and into the courtyard. All were ordered to sit on the ground, and their hands and arms were tied behind their backs. Then they brought out one of the young teachers, with hands also tied. Now the new class began.

In a voice loud enough for the other children still in the classroom to hear, the Viet Minh accused these children of treason. A patriot had informed the police that this teacher was holding classes secretly, at night, and that the subject of these classes was religion. They had even been reading the catechism.

The Viet Minh accused the seven of conspiring because they had listened to the teachings of this instructor. As a punishment they were to be deprived of their hearing. Never again would they be able to listen to the teachings of evil men.

Now two Viet Minh guards went to each child and one of them firmly grasped the head between his hands. The other then rammed a wooden chopped chopstick into each ear. He jammed it in with all his force. The stick split the ear canal wide and tore

the ear drum. The shrieking of the children was heard all over the village.

Both ears were stabbed in this fashion. The children screamed and wrestled and suffered horribly. Since their hands were tied behind them, they could not pull the wood out of their ears. They shook their heads and squirmed about, trying to make the sticks fall out. Finally they were able to dislodge them by scraping their heads against the ground.

As for the teacher, he must be prevented from teaching again. Having been forced to witness the atrocity performed on his pupils, he endured a more horrible one himself. One soldier held his head while another grasped the victim's tongue with a crude pair of pliers and pulled it far out. A third guard cut off the tip of the teacher's tongue with his bayonet. Blood spurted into the man's mouth and gushed from his nostrils onto the ground. He could not scream; blood ran into his throat. When the soldiers let him loose he fell to the ground vomiting blood; the scent of blood was all over the courtyard.

Yet neither the teacher nor any of the pupils died.

When news of this atrocity came across the Bamboo Curtain, arrangements were made for escape, and soon teacher and pupils were in tent 130 at Camp de la Pagode.

We treated the victims as well as we could, though this was not very well. I was able to pull the superior and inferior surfaces of the tongue together and close over the raw portions. The victim had lost a great deal of blood and, as we had no transfusion setup, all I could do was to give him fluids by mouth. He could not eat anything solid, not even rice. For the children, prevention of infection was the important thing. Penicillin took care of this, but nothing could give them back their hearing.

The purpose of this book is not to sicken anyone or to dwell upon the horror of Oriental tortures, which we recall from World War II and from Korea. But I do want to show what has come upon these people of the Delta. And justice demands that some of the atrocities we learned of in Haiphong be put on record.

One midnight, shortly before Christmas, I was awakened by knocking on my hotel door. Two young boys asked if Bac Sy My would please go with them right away. I thought they were from the camp, and that there was something there that needed my attention. So I quickly dressed and went out to the truck. As we were heading out the road, the children motioned for me to turn off onto a path running between two rice paddies. I didn't understand, but they were so earnest that I followed their directions. We turned and drove several hundred yards to a straw pallote, or round hut-like building.

I bent, entered the low door, and then noticed first how dark it was and second how unexpectedly large it was inside. There was a kerosene lamp burning in one part of the hut and near it were several kneeling figures—an old man, an old woman, several boys—chanting prayers in a quiet monotone.

They greeted me with "Chao ong, Bac Sy My," clasping their hands before them and bowing their heads, in the Oriental fashion. Then I saw that there was a man lying on a straw mattress which in turn was atop eight or nine long pieces of bamboo, making a crude stretcher. His face was twisted in agony and his lips moved silently as though he were praying, as indeed he was.

When I pulled back the dirty blanket that was over him, I found that his body was a mass of blackened flesh from the shoulders to the knees. The belly was hard and distended and the scrotum swollen to the size of a football. The thighs were monstrously distorted. It was one of the most grisly sights I had ever seen. The idea of merely touching this man was repugnant.

I felt queasy, knew I was going to be sick and rushed outside. Inside that hut I had just seen a masterpiece of systematic torture. Under the sky, I retched and vomited my insides out. I was grateful that no one followed me; they understood and were patient.

I am not sure how long it took for me to get hold of myself, but I finally regained enough nerve and stability to go back and care for this human nightmare. But what could I do? For his pain I could give him morphine. For the belly I could do little, as the skin was not broken in more than four or five spots. All the bleeding was subcutaneous, in bruises which were turning a purple-yellow. I put a large needle into the scrotum in an attempt to drain out some of the fluid. Later I would insert a catheter into the bladder so that the patient could urinate. What else could I do?

I asked the old woman what on God's earth had happened to this poor human being. She told me.

He was her brother, a priest, from the parish of Vinh Bao, just on the other side of the Bamboo Curtain. Vinh Bao was not more than 10 kilometers away from Haiphong.

The area had been in Viet Minh hands for only about 7 months and the Viets had not yet completely changed the pattern of village life. The priest was permitted to continue celebrating mass, but only between 6 and 7 o'clock in the morning. This was the time when most of the peasants were just ready to start the morning's work and, under Communist rule, this was the hour when people had to gather in the village square for a daily lecture on the glories of the "new life."

This meant that they were unable to attend the parish priest's mass either daily or on Sunday. So, for the few who dared to risk his services, the valiant 57-year-old priest held them in the evening. The Communists decided that he needed reeducation.

Late the night before, Communist soldiers had called at the priest's chapel, accused him of holding secret meetings and ordered him to stop. Defiantly he replied that nothing could stop him from preaching the word of God. And so this is what they did: they hung him by his feet from one of the crude wooden beams under the ceiling. His head was so close to the ground that he later said, "Frequently I would place my hands on the ground to try to take the pressure off my feet."

With short, stout bamboo rods they proceeded to beat the "evil" out of him. They went on for hours; he did not know just how long. They concentrated on the most sensitive parts of the anatomy. "The pain was great," the priest said. It must have been very great indeed.

He was left hanging in the church, and early the next morning his altar boys found him there and managed to cut him down. They were only 8 to 10 years old, and they ran to their parents, attending compulsory classes in the square, and sobbed out the news.

The parents told them what to do and then said goodbye to them, knowing that it might be goodbye forever. The children lashed together an arrangement of bamboo poles that could be carried as a litter and floated as a raft. They put the priest on this and carried him down the back lanes of the village. They hid him near the bank of the river, which formed one of the boundaries of the free zone. After dark, they lowered the raft gently to the water and, with three on each side, paddled to the middle of the river, where they were swept into the downriver current. The coolness of the water probably did more for the priest than most of my medicines. They managed to get him across the river to the free zone without being seen. Arriving late at night, they carried the man to the hut of his sister. Then they came to find me.

I made daily visits to him thereafter and gave him antibiotics and more morphine. Miraculously, he survived; his own strong constitution and, no doubt, his faith brought about a cure.

Sooner than I would have considered likely he was sufficiently recovered to be taken to Camp de la Pagode. Although he was still crippled, he was soon saying daily mass and teaching the children their catechism; in fact, for a time he served as the camp's more or less regular chaplain.

Perhaps I should have let him do it when he insisted that he must return to the village. Perhaps the world needs martyrs, although Tonkin, I thought, had an oversupply already. Next time the Communists would have killed him for sure.

I know that it is not just to judge a whole system from the conduct of a few. However, this was communism to me. This was the ghoulish thing which had conquered most of the Orient and with it nearly half of all mankind. From December until the last day, there were two or three atrocities a week that came within my orbit. My night calls took me to one horror after another.

Early in my Haiphong stay I was puzzled not only by the growing number but by the character of Communist atrocities. So many seemed to have religious significance. More and more, I was learning that these punishments were linked to man's belief in God.

Priests were by far the most common objects of Communist terror. It seemed that the priests never learned their "Hoc-Tap Dan-Chu," their "Democratic Studies and Exercises," as well as they were expected to. This meant that they had to be reeducated more severely than others. It is difficult to take men whose life had been dedicated to belief in God and straighten them out so that they no longer believe in God. In fact, most of them proved unconquerable.

Catholics have many pious ejaculations which they utter frequently—"Jesus, Mary, and Joseph," for example, and "Lord have mercy on us." The Communists ordered the priests to substitute new slogans for them, for example, "Tang gai san u xuat" (increased production), and "Chien tranh nhan" (the people's war). Perhaps the expression most often heard in the conquered north was "Com Thu" (hatred).

The Communists have perfected the techniques of torture, inflicting in one moment pain on the body and in the next pain on the mind. When Tonkin spring came and the monsoon ended, I thought perhaps nature might bring a change in the tenor of things. I was wrong. On the first Sunday of March, I was asked by Father Lopez of the Philippine Catholic Mission to come visit a "sick man," a priest who had just escaped from the Vietnam.

We walked across the huge sprawling courtyard to the living quarters. In a back room there was an old man lying on straw on the floor. His head was matted with pus and there were eight large pus-filled swellings around his temples and forehead.

Even before I asked what had happened, I knew the answer. This particular priest had also been punished for teaching "treason." His sentence was a Communist version of the crown of thorns, once forced on the Savior of whom he preached.

Eight nails had been driven into his head, three across the forehead, two in the back of the skull and three across the dome. The nails were large enough to embed themselves in the skull bone. When the unbelievable act was completed, the priest was left alone. He walked from his church to a neighboring hut, where a family jerked the nails from his head. Then he was brought to Haiphong for medical help. By the time of his arrival, 2 days later, secondary infection had set in.

I washed the scalp, dislodged the clots, and opened the pockets to let the pus escape. I

gave the priest massive doses of penicillin and tetanus oxide and went back to the mission every day. The old man pulled through. One day when I went to treat him, he had disappeared. Father Lopez told me that he had gone back to that world of silence behind the Bamboo Curtain. This meant that he had gone back to his torturers. I wonder what they have done to him by now.

Priests were not the only victims of brutality. One day an old woman came to sick call in the camp. She was wearing a cloth bound tightly around her shoulders in a figure of 8. We removed the cloth and found that both the collar bones had been fractured. En route to the camp, she told us, she had been stopped by a Viet Minh guard who, for the crime of attempting to leave her land, had struck her across the shoulders with the butt of his rifle, ordering her to go back home. This fractured the bones, making her shoulders slump forward and causing excruciating pain. Nevertheless, she managed to escape. In time, with medical care and a regimen of vitamins, she healed.

Always there was the painful thought: "My God. For every one of these who come here, there must be hundreds or even thousands who could not escape."

One day a young man came to sick call with a marked discoloration of the thumbs. They were black from the first joint to the tips. He was suffering from gangrene, of the dry type, called mummification. There was no great pain, no blood, just raw necrosis of tissue.

He said he had been hung by his thumbs to reeducate him. This had happened about a week earlier, and since then his thumbs had been getting a little darker every day. Now they were beginning to smell.

During the course of the examination, while I was manipulating the left thumb, a piece of it actually broke off. There was no bleeding, no pain; there was just a chunk of his thumb that stayed in my hand. This dried piece of flesh, like that of a mummy, had crumbled away with the slightest pressure. The circulation had been cut off for so long—he said he had been left hanging for days—that permanent damage had been done, and all the cells and tissue had died distal to the point where his thumbs had been tied with cord.

"But remember, my friend," one of the elders said to me, "these people might never have left the north if the Communists had not done these cruel deeds against those who preached and practiced their religion."

I feel sure he was right. There were many Buddhists among the refugees, but when I thought of the attendance at daily Mass I had no doubt that 75 or 80 percent of them were Catholics. Of the 2 million Catholics in Vietnam, about 1,750,000 lived in the north. Then came the Communists and inevitable disillusionment with the promised reforms. Perhaps they could have borne up under the oppressive taxes, the crop quotas, the forced labor, and the loss of freedom. But when the right to worship God was taken from them—often by the most brutal means—they knew it was time to go.

"What fools they are, these Vietnam," the elder said. "They coax the people to stay, tell them lies, and even try to stop them at the perimeter. Then they do the very things that will drive the people into exile. Perhaps it is the will of God."

To say that the Communists tried to stop the refugees at the perimeter was to put it mildly. Though under the Geneva agreement anyone had a right to leave the north who wanted to, the Communists began to violate the agreement on this point from the day it was signed.

As I have indicated earlier, they employed trickery, threats, violence, and even murder to stop the southward rush of their subjects. "It is my duty," said Premier Diem in Saigon on January 2, 1955, "to denounce

before the free world and before Christendom the inhuman acts of repression and coercion taken by the Vietminh against the populations wanting to leave the Communist zone, acts which are flagrant violations of the Geneva agreement."

The Premier later estimated that a quarter of a million more would have left if there had been no harassments. My own belief is that this figure is not half large enough. The unbroken flow of the luckier, and of the wounded and mangled who made it to the American camps, was a clue to how many failed to make it. Besides, it is reasonable to assume that thousands who thirsted for freedom lacked the courage or the vitality to take the risks.

Many and various were the Communist devices to keep the people in the north. They made it illegal for more than one member of a family to travel on a bus or train in the affected area at the same time; or for more than two persons to go on foot together on the roads pointing to the evacuation zone. This made it difficult for would-be refugees, whose families were large and held by powerful bonds of unity, to break away.

Nevertheless, desperate parents often sent their children ahead, two today, two tomorrow, with instructions to get to the American camp. By the dozens and the hundreds I saw youngsters, alone, exhausted, and sorrowful, arrive and settle down on the fringes of my camp to wait for their elders. Many a time they waited in vain.

In many parts of the Tonkin the Communists ruled that special passports would be required—not to leave the country; that would have flouted Geneva too crudely—but to cross from one canton into another. Obtaining the passports involved steep fees and fantastic red tape. But only with such documents were the refugees permitted to travel as family groups.

Having at long last received its passport, a family might set out on foot on the long road to Haiphong. Fifteen or 16 days later, their food almost gone, sore and perhaps sick, they would reach a canton line. They would run into that old dodge of the expired passport.

The Communist guard would examine their hard-won document and laugh, "Comrades, this passport is good for only 14 days. Didn't you know that? Oh, you can't read? Well, anyhow, go back and get a new one."

As a leftover of the war, many roads were sown with mines and booby traps. The victorious Communists dug them up. But often they did not detonate them. Instead they tossed them with designed casualness into rice paddies, swamps, and bushes close to the perimeter of our evacuation area. If citizens trying to crawl to freedom at night were blown to bits, it only served them right.

Yet here are the terms of the agreement: "Any civilians residing in a district controlled by one party who wish to go and live in the zone assigned to the other party shall be permitted 'and helped to do so' by the authorities in that district." Those quoted words, of course, are mine.

COLUMBUS DAY SHOULD BE A NATIONAL LEGAL HOLIDAY

Mr. HANSEN of Iowa. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. OTTINGER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. OTTINGER. Mr. Speaker, next Tuesday, October 12, is Columbus Day. All over the United States, people will be paying tribute to that brave figure,

Christopher Columbus, and the valiant men who sailed with him to America.

On May 3, I introduced H.R. 7804, which would establish Columbus Day as a national legal holiday. New York State and the majority of other States already recognize October 12 as a legal holiday.

On Monday of this week, the Board of Supervisors of Westchester County, N.Y., adopted Resolution 154—1965, endorsing my bill and an identical bill introduced in the other body by Senator THOMAS DODD, of Connecticut, and memorializing the Congress to enact such legislation.

I present the text of the resolution herewith for inclusion in the RECORD:

RESOLUTION 154—1965

To the Board of Supervisors of Westchester County, N.Y.:

Your committee on legislation has considered Resolution 143—1965, adopted by your Board on August 16, 1965, requesting support of bills now pending in Congress which would designate Columbus Day, October 12, as a national legal holiday.

There have been, over the years, many bills presented in both the Senate of the United States and the House of Representatives, all in support of designating Columbus Day as a national holiday, and like our other national holidays setting the day aside in recognition of a memorable event or personage. Your committee feels that all Americans should indicate their interest and desire that this day, October 12, be added to those other important commemorative days, and offers the following resolution:

"Whereas the State of New York and the majority of other States recognize October 12, known as Columbus Day, as a legal holiday; and

"Whereas many businesses and industries also recognize and observe Columbus Day as a holiday; and

"Whereas it is fitting that honor and tribute should be paid to the great explorer, Christopher Columbus, who is renowned as the discoverer of America: Now, therefore, be it

Resolved, That the Congress of the United States be and hereby is respectfully memorialized to enact legislation, as set forth in S. 461 (DODD) and H.R. 7804 (OTTINGER), and/or any other bills previously considered and any amendments thereto whose main purpose and objective is to designate the 12th day of October in each year as a legal public holiday; and be it further

Resolved, That copies of this resolution be transmitted to the President of the Senate of the United States, to the Speaker of the House of Representatives, to the Members of the Senate from the State of New York, and the Members of the House of Representatives from the 25th and 26th Congressional Districts of the State of New York."

Dated, October 4, 1965.

Committee on Legislation, Board of Supervisors, Westchester County, N.Y.

SPEECH BY REPRESENTATIVE FOGARTY AT INTERNATIONAL ASSOCIATION FOR DENTAL RESEARCH BANQUET, TORONTO, CANADA

Mr. HANSEN of Iowa. Mr. Speaker, I ask unanimous consent that the gentleman from Rhode Island [Mr. FOGARTY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Iowa? There was no objection.

Mr. FOGARTY. Mr. Speaker, under leave to extend my remarks I would like to include a speech which I delivered at International Association for Dental Research Banquet, Toronto, Canada, on Saturday, July 24, 1965:

INTERNATIONAL PARTNERSHIP IN DENTAL RESEARCH

(Remarks of U.S. Representative JOHN E. FOGARTY, Second Congressional District of Rhode Island at International Association for Dental Research Banquet at the Royal York Hotel, Toronto, Canada, July 24, 1965)

Mr. President, distinguished guests, ladies and gentlemen, you honor me greatly by inviting me to become a member of a dental organization of international scope. I appreciate and gratefully accept honorary membership in the International Association for Dental Research.

During my years in the Congress I have been a strong advocate of increased support for biomedical research and, indeed, I have been privileged to assist directly in backing Federal programs which have made such growth possible. I observe with personal satisfaction the extent to which scientific investigators make use of today's resources for research. What I have been leads me to believe that the years ahead will be very exciting. I anticipate new and diversified investigations into the basic causes of disease and the development of imaginative methods for advancing the health of the nations of the world.

Many of you may know that the United Nations has declared 1965 International Cooperation Year. Tonight, therefore, I have chosen "International Partnership in Research" as my theme. For its framework, I have selected the words of the late President John F. Kennedy. At the anniversary convocation of the National Academy of Sciences only a month before his assassination, President Kennedy said, "Science is the most powerful means we have for unification of knowledge, and a main obligation of its future must be to deal with problems which cut across boundaries, whether boundaries between the sciences, boundaries between nations, or boundaries between man's scientific and his humane concerns."

In the world of health, we can be proud of the cooperation among health scientists. International rivalries seem to be inevitable in commerce and industry; probably inevitable in space technology; unfortunately rife in the fields of social ideology. In health and medical affairs, however, cooperation on an international scale is flourishing. Your gathering here in Toronto attests to the fact that contemporary scientists are eager to learn and ready to share knowledge with their colleagues all over the world.

The great achievements of scientists often are hastened and enhanced by cooperation. Partnership in research predisposes potential breakthroughs—I know scientists do not like that word, but bear with me. With the increasing complexity of research, and with the tools and techniques of scientific investigation becoming more diverse and expensive, the interdisciplinary approach to problem solving is more and more likely to produce the breakthroughs of the future. Modern health accomplishments are clear and tangible evidence of the value of scientific team efforts within institutions and within countries. It would seem to me, therefore, that international scientific team efforts are the next logical forward step in the conquest of global diseases.

The great discoveries in health research, no matter by whom developed, no matter in what nation, benefit all mankind. While discoveries may have their origin in one country, may be tested in another, and developed in a third, the application of such

new knowledge eventually must be in the hands of men of healing all over the world.

The list of diseases that have been or are being conquered throughout the world is long—and needs no identification for this audience. For the most part, the international victories over disease—as you are well aware—have been in the field of medicine and largely over the infectious diseases.

Though there is increasing evidence that some dental diseases are indeed infectious, this group does not need to be told that dental research on an international basis is lagging seriously behind biomedical research in general. This gap between dental research efforts and the research activity in the many fields of medicine gives me real concern. Admittedly, dental research activities have expanded in recent years, and the handful of research workers of a generation ago has increased many times. Dental research scientists are more numerous, better qualified, and more accomplished than ever before. In the United States alone, there are over 100 institutions where more than 1,500 dental investigators are giving long overdue attention to the basic problems of dental health. Dental investigators now are working on problems concerning the structure and function of the whole body as well as conditions unique to the oral cavity and they are also providing new information about disease processes affecting life itself. In spite of these gains, however, dental research has not yet reached its full potential.

Perhaps one reason why medical research has outdistanced dental research is because dental diseases, which are universal in nature, are rarely fatal. Yet the problems caused by dental disease are of great importance. Almost everyone, everywhere, is affected by dental illness, and to citizens of developing countries, these problems can be overwhelming. Because few diseases cause so much sheer human misery for so many people throughout the world, I see a real urgency to attack dental diseases on an international basis.

The scope of investigation into dental problems must be broadened considerably if more rapid advances are to be achieved and the benefits therefrom are to be realized. Yet today in many parts of the world, dental research is minimal, sometimes virtually nonexistent. Even in those countries where sophisticated dental research is being conducted, few institutes are devoted wholly to research on dental problems. Moreover, relevant research findings in other fields such as pathology, pharmacology, microbiology, and social science often are not brought to bear on dental problems. Only when coordination is achieved among various scientific disciplines and between the scientists of the various countries can the most effective use be made of available knowledge.

Sir Arnold Toynbee said "The 20th Century may best be remembered as the first age in history in which people have found it practical to make the benefits of civilization available for the whole human race." If good dental health is to be numbered among these benefits, however, we are still a very great distance from our goal. To attain that objective, we will have to upgrade the quality and quantity of dental research throughout the world.

I would like to urge the International Association for Dental Research to take the initiative in providing research leadership to those developing nations which have not been as favored as countries in North America. I believe you could help developing nations avoid some mistakes, and assist them in telescoping their efforts to reach a comparable level of research development in a shorter period of time. The late President Kennedy said it well: "The accumulation of knowledge is of little avail if it is not brought within reach of those who can use it. Faster and more complete communication

from scientist to scientist is needed, so that their research efforts reinforce and complement each other." A globe-encircling effort of this kind could produce vast benefits in dental health for people everywhere.

All of us recognize the importance of strong lines of communication in those endeavors which require people to work together for the common good. The more complex and widespread the problem—and certainly the expansion of international dental research programs is such a problem—the more urgently good communications are needed.

I suggest that the International Association for Dental Research consider the development of an international communications network to inform dental investigators about research developments in the various specialty areas as well as in related areas of interest. The complexity of the task of international communications is self-evident, but in dental research I can think of no one group more suited to lead the way than yourselves. You will have to explore the use of every device, and very probably invent new ones, in order to spread information throughout the world community of over 100 nations.

One effective communications technique which you are eminently well qualified to sponsor would be a central clearinghouse for basic and applied research findings in dentistry and its related fields. By clearly describing what has already been done and what is being done, in as many major languages as are needed for broad communication to the international profession, the clearinghouse could make possible the saving of precious research hours. I do not decry duplication of effort as so many do. I recognize that often such duplication is a necessary step toward verification and acceptance of research results. But a ready source of knowledge of what has previously been accomplished can help to avoid unnecessary duplication and often allows an investigator to speed ahead with added momentum. The clearinghouse would be useful to research workers in every setting, but has, I believe, a special value to the worker in the newly developing countries. Such an investigator today could build new research upon the solid accomplishment of world science.

As you know, the "Index to Dental Literature" and "Dental Abstracts," both printed in English, already are available. These journals are a good beginning, but other steps also must be taken. For example, three components of the U.S. Public Health Service are joining together with the American Dental Association to support the first comprehensive abstract coverage of international research literature related to dentistry and oral health.

Necessary as it is, however, a journal of research abstracts is not enough. It would seem desirable to go further and establish an international clearinghouse to provide specific information about research programs, investigators, progress and findings, similar to the research information center now being developed by the American Dental Association for the United States.

I suggest that you might wish to consider this effort as a joint project between your Association and the World Health Organization. I have observed a very close working relationship between the American Dental Association and the U.S. Public Health Service in my own country, and I should think that similar cooperative ventures between official and scientific organizations at the international level would be equally beneficial.

A second aspect of international research which has always seemed to me to need further exploration is the development of standard nomenclature, procedures, and measurement. I suspect that much wasted effort goes into unnecessary duplication of research

simply because the descriptive terms, or the units of measurement, are not comparable. When one thinks of international programs, standardization seems even more necessary. Standards might be devised which can be uniformly applied and widely accepted throughout the world; terminology and techniques could be simplified so that discrepancies in research results are kept to a minimum.

In emphasizing the value of partnership in coordination, communication, and standardization, we should keep in mind that the purpose of these activities is not to hinder but to free the individual so that originality and enthusiasm can flourish. Coordination can prepare the way for greater efficiency; communication can spread knowledge and help avoid duplication for effort; standardization leads to comparability. Uniformity need not be a bridge on original thought.

If international dental research is to move forward, a third and equally necessary effort must be made to provide a continuing supply of well-trained manpower. In the international context which is our concern this evening, there should be a vigorous program of exchange of research personnel among countries, providing opportunities for investigators to work and learn together.

In the years 1963 and 1964, the international postdoctoral fellowship program of the National Institutes of Health financed the training of about 300 scientists from many countries, permitting them to work in American universities and other research institutions. Some of these scientists were dental investigators who in the course of their educational experience in the United States also taught much to their American associates. I would like to see not hundreds, but thousands, of such interchanges of scientific personnel throughout the world.

Exciting possibilities for international research partnership lie in the study of dental diseases on a global basis. Using the most advanced epidemiological techniques, research investigators are amassing quantities of data on the distribution of dental disease. An excellent example may be found in the surveys sponsored and coordinated by the Interdepartmental Committee on Nutrition for National Development. The committee in recent years has sent teams of specialists in nutrition, medicine, biochemistry, food technology and dentistry to the four corners of the world. On almost every continent these teams have studied the relationship between the nutritional status of populations and disease, including dental disease.

Another resource from which we can expect dividends of world benefit is the use of the special foreign currencies made available for research. These funds, held for us in several foreign countries, are available to support research which has relevance to the host country and to the United States. Currently, the Public Health Service is financing a few dental research projects by this method in Egypt, India, and Israel. Also included in the list of nations eligible to use counterpart funds are Burma, Pakistan, Brazil, Yugoslavia, and Poland. Research in all these countries, with their unique social, economic, racial, and geographical conditions, can provide data not obtainable elsewhere. Such information could lead to solutions to many dental problems.

In my opinion, this source of support for international dental research is not being used to its fullest potential. The expansion of biomedical research through the use of these counterpart funds is part of official U.S. Government foreign policy, and projects under this program are being encouraged. I would urge you to exploit these opportunities.

Still another possibility for enhancing international research efforts may lie in the development of dental research institutes in the United States. Many of you

may know that I have been advocating the establishment of categorical dental institutes in a few selected universities where the scientific resources are adequate to support a comprehensive dental research program. I see no reason why each of these institutes, when established, might not develop a special relationship with one country, or group of countries. Such relationship might include exchange and training of personnel, conduct of research of mutual interest and other special programs designed to foster research in underdeveloped countries.

You are well aware that there is already a core of international organizations concerned about dental problems. The largest, the International Dental Federation, with over 5,000 members from 70 countries, is oriented primarily toward dental practitioners rather than toward research. Among its 70 member countries, however, 26 have only a single representative, while 3 countries (the United States, Germany, and the United Kingdom) account for the majority of members.

Two European organizations—which you call ARPA and ORCA—contribute to dental research, but their interests are devoted specifically to periodontal disease and dental caries, respectively. The World Health Organization, representing almost all the nations of the world, is only now beginning to explore its potential role in the field of international dental research. It appears to me, therefore, that the International Association for Dental Research is the most logical organization to stimulate the truly international effort necessary to advance dental research around the world.

The phenomenal expansion of biomedical research did not happen by chance. Leadership has been the forceful guide that has accelerated medical progress. Indeed, advances in medical research have set the stage for international dental health as an attainable objective. If dental research investigators like yourselves accept the challenge of providing intensified leadership for the dental profession, you will hasten the day when international dental health becomes a reality.

The spectacular growth of biomedical research in which I have been privileged to participate during my 25 years in Congress is a scientific phenomenon that has changed the world. The exciting accomplishments of research investigators in that short time of the world's history have actually underscored the feasibility of international dental health as a worthy aim. I pledge my efforts to strengthen my country's contributions to the imaginative international partnership which will be required to bring dental health to the people of the world—a partnership through which we can cut across boundaries between the sciences, between nations, and between man's scientific and humane concerns.

FATHER JOSE L. CAPOTE

Mr. HANSEN of Iowa. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. RODINO] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. RODINO. Mr. Speaker, tomorrow evening I will have the great privilege of attending a testimonial dinner to honor the Reverend Jose L. Capote, pastor of Our Lady of Fatima Church in Newark. This occasion will mark the 10th anniversary of Father Capote's service to the Portuguese-American community in Newark.

When Father Capote was called to Newark there was no church, and he had to seek out his parishioners among the Portuguese-American residents. In the short period of 10 years, Father Capote founded his parish and led the fundraising effort to build Our Lady of Fatima Church. It was dedicated in 1958 and now serves 15,000 parishioners of Portuguese heritage.

Under Father Capote's guidance Our Lady of Fatima has become the center for religious, cultural and social activities of the Portuguese-American citizens in Newark. His is an outstanding spiritual and civic achievement, and I am proud to join in honoring him. I ask unanimous consent that an article from the Newark News of October 4, 1965, describing Father Capote's work be included in the RECORD.

**PERSISTENT PASTOR—HIS CHURCH SERVES
15,000 PORTUGUESE
(By Fred Cicetti)**

Rev. Jose L. Capote came to Newark 10 years ago with only a crucifix and his theology books. Today he is pastor of Our Lady of Fatima Church, which serves 15,000 Portuguese-Americans in the Newark archdiocese.

Father Capote was called by Archbishop Thomas A. Boland to set up the parish for the immigrant group.

"I had been in a similar parish in Cambridge, Mass., when I was asked to come to Newark," Father Capote said. "I wasn't completely sure what was expected of me. When I arrived in Newark, I was told there was no church and I would have to find parishioners for this nonexistent church."

MEETING IN SPORT CLUB

With the archbishop, Father Capote held a meeting in the Sport Club Portuguese at 55 Prospect Street.

"A large part of the Portuguese-American population in the archdiocese lives in the Ironbound section of the city. The Sport Club was a logical meeting place. The archbishop gave a speech and I gave a speech and the people applauded. Then I bought a street directory of Newark to find my other parishioners. It was quite a job looking through all the listings for Portuguese names."

In 1956, Father Capote began a fund drive to erect the church. With some financial aid from the archdiocese and a mortgage, the church was built in Jefferson Street and dedicated December 14, 1958.

The church is in the territorial parish of St. James Church, but it is solely for Portuguese-Americans and their children.

FOUR SUNDAY MASSES

"It was a long time coming," Father Capote said. "Portuguese are very proud of their national heritage. They were forced to attend either St. James or St. Joseph's, which is a Spanish parish. When our church was built, we grew steadily to our present total."

Today, with the help of his curate, Rev. John S. Antao, Father Capote celebrates four Sunday masses (three in Portuguese, one in English). The church has a Holy Name Society, a Catholic Youth Organization, a Boy Scout troop and a Girl Scout troop.

Father Capote said two-thirds of the parishioners were born in Portugal. Unlike other nationalities, the priest said, the Portuguese emigrated to the United States much later, primarily in the 1920's.

"The church will live on, however, after the first generation," Father Capote said. "The Portuguese people have very strong family ties and the children have inherited the same pride in their background. The kids show a strong curiosity in Portugal and their parents' native tongue. We probably

have the only bilingual Boy Scouts in the State."

NEWSPAPER STARTED

In 1961, with the permission of the archbishop, Father Capote began producing a Portuguese newspaper called "Novos Rumos," or "New Paths." An 8-page, bimonthly journal with a circulation of 4,000, it is written almost entirely by the priest.

"There are a couple of contributing writers, but I do most of it—even the editorials. It's not a religious paper, as some people might think. It is a genuine paper with news of local and national importance."

"It has a Catholic slant, naturally. Archbishop Boland is on our mailing list. The archbishop doesn't know Portuguese, but with his background in Latin and Spanish, he always knows what I'm writing."

FETE SATURDAY

For a pastor, Father Capote is young at 41. He was born in Ilhavo, Portugal, and came to Gloucester, Mass., in 1947. He studied at St. Joan's and Olivais Seminaries in Portugal, and at the Pontifical University in Brighton, Mass. He was ordained by Richard Cardinal Cushing in 1949.

To mark the anniversary of Father Capote's arrival in Newark, the lay leaders of the parish have planned a testimonial dinner honoring the priest for his "dynamic leadership in founding Our Lady of Fatima Church as a religious, cultural, and social center." The dinner will be Saturday night in the Hotel Military Park.

**EVE OF INDEPENDENCE DAY FOR
UGANDA**

Mr. HANSEN of Iowa. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. FARNUM] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Iowa? There was no objection.

Mr. FARNUM. Mr. Speaker, Uganda became independent on October 9, 1962, and so today we are on the eve of its independence day. There is increasing evidence on this anniversary that this nation will fulfill our hopes for it, even though it is taking a course toward independence different from the one familiar to us.

It is the conviction of its leaders that a form of Socialist government in combination with Western economic concepts may prove the most direct road to quick development. Meanwhile Uganda maintains a strong voice in the United Nations and, as we are well aware, last year opened an Embassy in this city.

Our hopes for this proud nation of ancient Africa, of course, are that Uganda will develop into a strong, self-assured and independent nation, with democratic institutions which fit local and national requirements.

In our enjoyment of close, friendly relations with Uganda, we have given encouragement to the new Government with a program to increase agricultural production and to make more efficient use of mineral resources. In addition our AID program is assisting promising Ugandan students and we are otherwise encouraging self-help programs and other programs promising to speed Uganda's way to taking a leading role in the world of free nations.

It is fitting today, Mr. Speaker, that we extend our congratulations for past

accomplishments and best wishes for future hopes to Uganda's President, Sir Edward Frederick Mutesa II; to its Vice President, Sir William W. Nadiope; to its Prime Minister for Foreign Affairs, A. Milton Obote; to its Ambassador to the United States, Dr. Solomon Bayo Asea; and to its Ambassador to the United Nations, A. K. Kironde.

UGANDA'S INDEPENDENCE DAY

Mr. HANSEN of Iowa. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. O'HARA] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Iowa? There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, as chairman of the Subcommittee on Africa of the Committee on Foreign Affairs I am happy to extend the congratulations and well wishes of the House of Representatives of the Congress of the United States to the Republic of Uganda on the third anniversary of her independence.

Uganda is a rich and beautiful country, which I have visited twice and each time have left with deep regret. Lying on Lake Victoria the scenery in Uganda is fascinating and I found her people in all walks of life cordial to the stranger and of a high order of intelligence. American tourists who have visited Uganda return in praise of the country and the people.

To Sir Edward F. Mutesa II, President of the Republic, to Prime Minister A. Milton Obote, and to Dr. Solomon Bayo Asea, the able and popular Ambassador to the United States, go my warmest salutation on this happy anniversary.

On October 9, 1962, the rule of Great Britain ended and Uganda became an independent nation. The control exercised by the British had extended for almost seven decades since the establishment of a protectorate over part of the country in 1894. When it first became a free member of the British Commonwealth Uganda kept the Queen of England as its chief of state. However, on the first anniversary of independence in 1963, Uganda became a Republic. A president is the chief of state, while the ministerial form of government in the British tradition has remained.

Uganda's future is assured. She is blessed with many assets. She has a very favorable balance of trade. While this has been built on the export of agriculture commodities, some mineral extraction is providing a diversity of products. She has a high potential of hydroelectric power for the development of her industry. The power comes from the large number of waterways, such as the White Nile, and waterfalls which appear over much of the countryside.

The land itself is able to support the population. That area which cannot be used for cultivation or grazing is fortunately well suited for tourism. Generally located on a pleasant plateau, fringed on the east and west by spectacular mountains, abounding in fishing facilities and game preserves, this Nation is attracting an ever increasing number

of foreign visitors. The airport at Entebbe can now handle international jet transports. The official language is English.

Mr. Speaker, these assets are far from all those available to Uganda in its drive to modernize itself. A comprehensive development plan has been adopted which seeks to transform the economic life of the country. The Ugandan Government realizes that foreign aid is necessary and has enacted laws to attract private capital from abroad. Another resource of the nation which is harder to measure but which is nevertheless vital is the confidence and willingness to work shown by the free, private small farmers who form the majority of the agricultural producers.

Uganda has chosen to follow a course of nonalignment in world politics. This has not precluded strong support for the ideal of African unity.

THE RIGHT TO VOTE

Mr. HANSEN of Iowa. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. WOLFF] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. WOLFF. Mr. Speaker, this Congress has passed a voting rights bill which is a major step toward extending the franchise to those who have previously been unable to participate in the basic act of free government—the right to vote.

I am proud to have been in Congress when this milestone legislation was added to the fabric of our democracy.

There remains, however, a group of American citizens—8 million strong—who are flatly denied the right to vote in all but four States of the Union. Yet this group of citizens serves our country well throughout the world.

As Peace Corps volunteers they are bringing a new image of America—the image of a compassionate and friendly people—to other nations throughout the world not as fortunate as our own.

As volunteers in the war on poverty they are helping to eradicate the evils of poverty and want where they exist in this country.

They represent our Nation in international athletic competition, and in the field of the arts.

Perhaps most significant of all, they represent our national security in the rice paddies and jungles of Vietnam. Some have given the ultimate sacrifice.

I am of course talking about the young men and women of America between the ages of 18 and 21 who are not allowed to vote.

I am not one of those who bemoan the morals and manners of our young people. They are being asked to do more for our Nation than ever before in our history—and they are meeting the challenge of citizenship with maturity.

I firmly believe our young people between the ages of 18 and 21 deserve the right to vote and I am introducing a bill identical with that of my good friend Mr. WELTNER introduced last August which

would accomplish this most desirable objective.

In these times, we cannot afford to be without the voice at the polls of a segment of our society that has served us honorably and well.

RAPID TRANSPORTATION

Mr. HANSEN of Iowa. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. HELSTOSKI] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. HELSTOSKI. Mr. Speaker, ever since man learned to walk he has had the urge to roam from place to place. And, in all his progress in getting from place to place he has encountered added obstacles as the centuries progressed.

Now, in the 20th century, we have saturated our transportation systems to a point where each additional step to alleviate crowded transportation facilities adds to our difficulties in getting from one place to another.

With the millions of automobiles which are being produced each year there was the acute need for bigger and better highways. And, with wider and better highways, we saw the rapid expansion of suburban areas far away from the place of a person's employment. In some instances as far away as 30 to 40 miles from the center of the metropolitan area.

In this country we have accomplished miracles toward sending a man to the moon. Yet we seem to be floundering in such a simple, earthly matter as getting people safely to and from work or from one activity to another.

The crux of the entire problem is a complete lack of research and development in the field of transportation. What we now need is a breakthrough in the transit field. We should develop a new system which would provide urban and suburban dwellers with a good public transportation system—at low fares and speed which would surpass anything that we have at present.

Our expenditures on a research for intercity rail travel have not kept pace with the expenditures we have made on other modes of travel. At a hearing before the House Interstate and Foreign Commerce Committee, the Subcommittee on Transportation and Aeronautics received testimony from John T. O'Connor, Secretary of Commerce, regarding research in rapid transit. The Secretary stated that in fiscal year 1963 the Federal Government spent \$275 million for aviation research, \$15 million for water transportation research, \$24 million for highway research and only \$7 million for research into intercity rail travel.

Mr. Speaker, today I am introducing H.R. 11514 which would authorize and direct the Secretary of Commerce to carry out a survey and investigation of the feasibility of constructing and operating a passenger monorail train system between Suffern, N.Y. and Hoboken, N.J., over the rights-of-way of the main line of the Erie-Lackawanna Railroad

through the use of the airspace over the present roadbed and thence across the Hudson River into downtown Manhattan.

It is my belief that the Federal Government should share in this endeavor with the State of New Jersey to provide the necessary means of getting these people into downtown Manhattan from the upper reaches of the State of New Jersey. The State of New Jersey has already recognized that fact that this problem does exist. In the last 5 years it has contributed to keeping this line open to commuters. That contribution for the 12-month period ending June 30 last was \$2.2 million, which is a reduction from its contribution of \$2.7 million for the fiscal year which ended June 30, 1962, a reduction that has taken place while costs have been going up and revenues down.

I would like to point out that the Erie-Lackawanna suburban service is quite extensive. It originates at 11 different points in 9 counties and transports some 35,000 people into Hoboken each weekday Monday to Friday inclusive, and approximately the same number outbound from Hoboken each evening. This requires the operation of 145 passenger trains on weekdays. Except for the Long Island Railroad, Erie-Lackawanna's service on a multiplicity of lines exceeds by far that of any other railroad in the tristate area—New Jersey, New York, and Connecticut.

Commuter travel by train has decreased substantially, and you may wonder why. I can say that the loss of revenue is a prime factor in this decrease, for the railroads cannot keep their rolling stock in first-class condition because of the increasing expense in upkeep. For the Erie-Lackawanna Railroad, we have the Hudson River barrier which requires a change of trains at Hoboken. Unless we build a system which will bring these passengers into downtown Manhattan, there will be a continued loss of revenue to this line which is badly needed to bring in commuters to town to their places of employment. Should this fail the other alternative would be to build additional highways into the lower reaches of Manhattan from the New Jersey side, highways which would require additional bridges or underwater tunnels. This in turn would further complicate the vehicular traffic situation which is already at saturation level.

The advantages such a system would have are many. Air pollution, caused by automotive exhausts which continue to aggravate city dwellers with injury to their health would be reduced. Accidents due to congested highways would be reduced, since it has been shown that private motor cars are the most serious cause of vehicular accidents. They were, in 1964, the cause of 1.7 million injuries which resulted in nearly 48,000 deaths.

Good commuter service would reduce costs to our citizens, for automobiles are expensive to operate. When we consider the cost of gasoline, oil, repairs, maintenance, insurance, parking fees, and depreciation, we can count on a cost of approximately 12 cents per mile in these costs of operation.

We must take a concerted effort in research on the project which I am proposing in my bill, a half-hearted effort will not amount to anything to alleviate this pressing problem. We have made advancements in space study through the use of Federal funds, so we must also utilize the services of the Federal Government to obtain a breakthrough in ground transportation of intercity travel. This problem, with the expanding suburban areas will become worse as time progresses and before it gets completely out of hand we should tackle it now.

Is there any hope for railroad passenger service? I say, "Yes," if we undertake the survey which my bill proposes and then complete action on the building of the monorail which I propose, which could reactivate the interest of the commuter public, if fast, frequent, up-to-date service were offered. My bill proposes this solution and it is my fervent hope that this Congress will look with a favorable eye toward its enactment.

CONCERN FOR MEMBERS OF OUR ARMED FORCES

Mr. HANSEN of Iowa. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. HANLEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Iowa? There was no objection.

Mr. HANLEY. Mr. Speaker, I wish to commend the Members who have joined with me in introducing legislation similar to that before the House today. In so doing, they have demonstrated their concern for members of our Armed Forces.

The President once said, "We did not choose to be the guardians at the gate." In a great many cases, I am sure, our military men feel the same.

Defending the principles of freedom and democracy in an alien land is no menial task. It requires a great deal of courage and a deep devotion to duty.

Vietnam is the most prominent example of the type of situation I have just mentioned. This is a nation torn by strife; a land which is ineffective and virtually powerless because of the turmoil which encompasses that entire State.

Yet we ask our military men to go to this land; many of our finest young men will never return.

But all this does not complicate the problems of our fighting men enough. Added to this are the actions of a small group of people in our own country. We hear a great deal about the demonstration protesting the war in Vietnam, and also daily we read of the burning of draft cards. I ask my colleagues to pause for a moment and visualize the effect this must have on a GI in Vietnam. It can only cast a shadow over the already gloomy picture.

A letter from home, when all else seems lost, has a very encouraging effect. It can give a GI the lift he needs to face the responsibilities which weigh so heavily upon him.

A letter from home can make the military man aware of the fact that he is supported by a great majority of the American public.

I am certain there is no need to urge favorable consideration of this legislation by my colleagues. Their good judgment will assure passage of this bill.

ORDER OF 4TH ARMY COMMANDING GENERAL IN SUSPENDING COURT MARTIAL PUNISHMENT METED OUT TO TRAITOR

Mr. HANSEN of Iowa. Mr. Speaker, I ask unanimous consent that the gentleman from Mississippi [Mr. WILLIAMS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Iowa? There was no objection.

Mr. WILLIAMS. Mr. Speaker, the brave Americans in Vietnam must be amazed and bewildered by the action of the 4th Army commanding general who suspended the court martial punishment meted out to a traitor.

According to the press, a court martial, Tuesday, handed a 5-year prison term and a dishonorable discharge to Pfc. Winstel R. Belton for refusing to go to Vietnam. However, Lt. Gen. Robert W. Colglazier reduced the sentence to a suspended 1-year term and a suspended bad conduct discharge. No explanation has been offered.

General Colglazier, by this one deed, insulted every man and woman who served this country in time of war.

Merely to slap the wrist of a confessed seditionist is a defiance of time-honored military traditions.

Mr. Speaker, there are in America today 1,992,037 veterans who were disabled in the service of their country. Yet, one lieutenant general playing God, has disparaged their courage and valor by rewarding treason.

This general has evidenced his disrespect for the brave fighting men around the globe. He has disgraced the flag which has been carried into battle by millions of heroes.

The precious blood, the agonizing sweat and the sorrowing tears which constructed this Union of States have been cheapened by an Army officer's irresponsible invitation to insurrection.

Mr. Speaker, I hope the great Committee on Armed Services will conduct a thorough investigation of this matter and report the full facts to the American people.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. REINECKE (at the request of Mr. GERALD R. FORD), for today and October 11, on account of official business.

Mr. ARENDS (at the request of Mr. GERALD R. FORD), for today, on account of official business as a U.S. delegate to the NATO Parliamentarians Conference.

Mr. ASPINALL, for October 11 and 12, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. ICHORD, for 1 hour, on Wednesday, October 13.

Mr. ASHBROOK (at the request of Mr. GROVER), for 15 minutes, today; to revise and extend his remarks and to include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks was granted to:

(The following Members (at the request of Mr. GROVER) and to include extraneous matter:)

Mr. MCCLORY.

Mr. RUMSFELD.

Mr. CEDERBERG.

(The following Members (at the request of Mr. HANSEN of Iowa) and to include extraneous matter:)

Mr. WRIGHT.

Mr. POWELL.

Mr. HANLEY.

Mr. ZABLOCKI.

SENATE ENROLLED BILL AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled bill and joint resolution of the Senate of the following titles:

S.32. An act to authorize the Secretary of the Interior to construct, operate, and maintain the southern Nevada water project, Nevada, and for other purposes; and

S.J. Res. 106. Joint resolution to allow the showing in the United States of the U.S. Information Agency film "John F. Kennedy—Years of Lightning, Day of Drums."

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1805. An act to amend section 5899 of title 10, United States Code, to provide permanent authority under which Naval Reserve officers in the grade of captain shall be eligible for consideration for promotion when their running mates are eligible for consideration for promotion;

H.R. 5571. An act to amend title 37, United States Code, to authorize payment of incentive pay for submarine duty to personnel qualified in submarines attached to staffs of submarine operational commanders;

H.R. 7169. An act to amend the Securities Act of 1933 with respect to certain registration fees;

H.R. 7484. An act to amend title 10, United States Code, to provide for the rank of lieutenant general or vice admiral of officers of the Army, Navy, and Air Force while serving as Surgeons General;

H.R. 9042. An act to provide for the implementation of the Agreement Concerning

Automotive Products Between the Government of the United States of America and the Government of Canada, and for other purposes;

H.R. 9247. An act to provide for participation of the United States in the HemisFair 1968 exposition to be held at San Antonio, Tex., in 1968, and for other purposes; and

H.R. 10238. An act to provide labor standards for certain persons employed by Federal contractors to furnish services to Federal agencies, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 724. An act to authorize the transfer of certain Canal Zone prisoners to the custody of the Attorney General;

H.R. 1384. An act for the relief of Theodore Zissu;

H.R. 3045. An act to authorize certain members of the Armed Forces to accept and wear decorations of certain foreign nations;

H.R. 5665. An act to authorize disbursing officers of the Armed Forces to advance funds to members of an armed force of a friendly foreign nation, and for other purposes;

H.R. 6165. An act to repeal section 165 of the Revised Statutes relating to the appointment of women to clerkships in the executive departments;

H.R. 6726. An act for the relief of William S. Perrigo;

H.R. 7329. An act to provide for the conveyance of certain real property of the United States to the city of San Diego, Calif.;

H.R. 9336. An act to amend title V of the International Claims Settlement Act of 1949 relating to certain claims against the Government of Cuba;

H.R. 9975. An act to authorize the shipment, at Government expense, to, from, and within the United States and between overseas areas of privately owned vehicles of deceased or missing personnel, and for other purposes;

H.R. 10234. An act to amend section 1085 of title 10, United States Code, to eliminate the reimbursement procedure required among the medical facilities of the Armed Forces under the jurisdiction of the military departments; and

H.R. 10871. An act making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1966, and for other purposes.

ADJOURNMENT

Mr. HANSEN of Iowa. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock p.m.), under its previous order, the House adjourned until Monday, October 11, 1965, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BOGGS: Committee on Ways and Means. H.R. 6319. A bill to amend the Internal Revenue Code of 1954 to provide for treatment of the recovery of losses arising from expropriation, intervention, or confiscation of properties by governments of foreign countries; with amendment (Rept. No. 1125). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. S. 1760. An act to authorize the acceptance of a settlement of certain indebtedness of Greece to the United States and to authorize the use of the payments resulting from the settlement for a cultural and educational exchange program; with amendment (Rept. No. 1126). Referred to the Committee of the Whole House on the State of the Union.

Mr. BURLESON: Committee on House Administration. House Resolution 602. Resolution dismissing the election contest in the Third Congressional District of the State of Iowa; without amendment (Rept. No. 1127). Referred to the House Calendar.

Mr. THOMPSON of New Jersey: Joint Committee on Disposition of Executive Papers. Report pursuant to (63 Stat. 377); without amendment (Rept. No. 1128). Ordered to be printed.

Mr. McMILLAN: Committee on the District of Columbia. S. 1320. An act to amend certain criminal laws applicable to the District of Columbia, and for other purposes; without amendment (Rept. No. 1129). Referred to the House Calendar.

Mr. McMILLAN: Committee on District of Columbia. S. 1715. An act to extend the penalty for assault on a police officer in the District of Columbia to assaults on employees of penal and correctional institutions and places of confinement of juveniles of the District of Columbia; without amendment (Rept. No. 1130). Referred to the House Calendar.

Mr. McMILLAN: Committee on District of Columbia. S. 1719. An act to authorize compensation for overtime work performed by officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia, the U.S. Park Police force, and the White House Police force, and for other purposes; without amendment (Rept. No. 1131). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on District of Columbia. H.R. 10497. A bill to provide criminal penalties for making certain telephone calls in the District of Columbia; without amendment (Rept. No. 1132). Referred to the House Calendar.

Mr. McMILLAN: Committee on District of Columbia. H.R. 10497. A bill to provide criminal penalties for making certain telephone calls in the District of Columbia; without amendment (Rept. No. 1132). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BETTS:

H.R. 11503. A bill relating to the carryover of net operating losses of certain railroad corporations; to the Committee on Ways and Means.

By Mr. CEDERBERG:

H.R. 11504. A bill to amend the Federal Employees' Compensation Act so as to permit injured employees entitled to receive medical services under such act to utilize the services of optometrists; to the Committee on Education and Labor.

By Mr. GRIDER:

H.R. 11505. A bill to authorize the Secretary of Agriculture to regulate the transportation, sale, and handling of dogs and cats intended to be used for purposes of research or experimentation, and for other purposes; to the Committee on Agriculture.

By Mr. KEOGH:

H.R. 11506. A bill to amend the Tariff Schedules of the United States to restore the former tariff treatment of certain perfume bottles; to the Committee on Ways and Means.

By Mr. MACHEN:

H.R. 11507. A bill to provide for the control or elimination of jellyfish and other such pests in the coastal waters of the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. PATMAN:

H.R. 11508. A bill to authorize the establishment of Federal mutual savings banks; to the Committee on Banking and Currency.

By Mr. PRICE:

H.R. 11509. A bill to amend and clarify the reemployment provisions of the Universal Military Training and Services Act, and for other purposes; to the Committee on Armed Services.

By Mr. RHODES of Arizona:

H.R. 11510. A bill to amend title 39, United States Code, with respect to reciprocal mailing privileges of the United States and certain countries from which foreign assistance is withheld; to the Committee on Post Office and Civil Service.

By Mr. RUMSFELD:

H.R. 11511. A bill to provide that certain serge woven fabrics may be imported free of duty to be used in the manufacture of apparel for members of religious orders; to the Committee on Ways and Means.

By Mr. WAGGONER:

H.R. 11512. A bill to amend the Internal Revenue Code of 1954 to eliminate the withholding of income tax from wages and salaries; to the Committee on Ways and Means.

By Mr. GONZALEZ:

H.R. 11513. A bill to amend title 38, United States Code, to provide increases in rates of dependency and indemnity compensation to widows, children, and parents of deceased veterans and to increase the income limitations governing the rates of dependency and indemnity compensation payable to parents; to the Committee on Veterans' Affairs.

By Mr. HELSTOSKI:

H.R. 11514. A bill authorizing and directing the Secretary of Commerce to carry out a survey and investigation of the feasibility of constructing and operating a passenger monorail train system between Suffern, N.Y., and Hoboken, N.J., over the rights-of-way of the main line of the Erie-Lackawanna Railroad; to the Committee on Interstate and Foreign Commerce.

By Mr. McCLOREY:

H.R. 11515. A bill for the establishment of the Commission on the Organization of the Executive Branch of the Government; to the Committee on Government Operations.

By Mr. WOLFF:

H.J. Res. 686. Joint resolution proposing an amendment to the Constitution of the United States to provide that the right to vote shall not be denied on account of age to persons who are 18 years of age or older; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HUNGATE:

H.R. 11516. A bill for the relief of Dr. Luis Anglo; to the Committee on the Judiciary.

By Mrs. KELLY:

H.R. 11517. A bill for the relief of Marton Berkovics; to the Committee on the Judiciary.

By Mr. OTTINGER:

H.R. 11518. A bill for the relief of Miss Alda Paternoster; to the Committee on the Judiciary.

By Mr. ROONEY of Pennsylvania:

H.R. 11519. A bill for the relief of Mrs. Maria Anna Brescia and children, Luciana Brescia and Maria Pia Brescia; to the Committee on the Judiciary.